

Please check the examination details below before entering your candidate information

Candidate Name

Class

Section

**BLOOM Accountancy**  
**Olympiad (BAO)**  
Question Paper 2024-25

Class  
**12**

Total Questions: **50 + 5** (Tie-Breaking Section)


**Total Time Allotted :**  
60 minutes

**Total Marks**  
60

### Instructions

1. There are **50 Multiple Choice Questions** in this booklet having 4 options out of which **ONLY ONE** is correct.
2. There are two sections in the Question Paper; **Section A** having 40 Questions carrying 1 Mark each & **Section B** having 10 Higher Difficulty Order Questions carrying 2 Marks each.
3. All questions are compulsory. There is **NO negative** marking for incorrect answers.
4. Total time allotted to complete the paper is 60 minutes.
5. Please fill in your details in the space provided on this page before attempting the paper.

### OMR Sheet Instructions

1. Before starting the paper, fill in all the details in the OMR Sheet.
2. Additional 10 minutes will be provided to fill up the OMR sheet, before the start of the exam.
3. Use HB Pencil to darken the circle of the correct Option in OMR sheet. The correct way to darken the circle in OMR sheet is shown below.  

4. Use black or blue ball point pen/HB pencil to fill the information in the OMR sheet. Partially filled OMR sheet will not be checked.
5. Return the OMR sheet to the invigilator after the exam.

CODE #205

**AC12**



# Bloom Accountancy Olympiad Class 12

## Section A (1 Mark)

1. It is ..... that financial statement should disclose the factual information about the financial position of the company and also it is ..... that it should be verifiable from the records of the company.  
(a) false, true                      (b) true, false  
(c) true, true                      (d) false, false
2. At the time of purchase of business, excess value of net assets over purchase consideration is credited to which account?  
(a) General reserve              (b) Goodwill account  
(c) Capital reserve              (d) Vendor's account
3. X, Y and W are partners with profit sharing ratio of 3:2:1. If the profit sharing ratio of the partners is changed to 1:2:3, then the partner(s) whose share will be unaffected is/are  
(a) X                                  (b) Y  
(c) W                                  (d) X and W
4. There are two partners in a firm, Ram and Abhiram. Ram is admitted into the firm for 1/3th share of profit with the guaranteed annual profit of ₹ 36,000. Firm's profit for the year is ₹ 84,000. What amount of profit would be given to Ram as his share of profit by the firm?  
(a) ₹ 40,000                      (b) ₹ 50,000  
(c) ₹ 36,000                      (d) ₹ 32,000
5. In case of partnership business, gaining ratio is calculated by deducting  
(a) sacrificed profit share from new profit share of the partner.  
(b) sacrificed profit share from old profit share of the partner.  
(c) new profit share from old profit share of the partner.  
(d) old profit share from new profit share of the partner.
6. Akarshan Ltd. issues 40,000, 10% debentures of ₹ 100 each redeemable at the end of five years at a premium of 6%. For what amount, 'loss on issue of debentures account' will be debited?  
(a) ₹ 1,00,000                      (b) ₹ 1,20,000  
(c) ₹ 2,40,000                      (d) ₹ 3,20,000
7. It is ..... that loan from spouse of a partner is considered as external liability. Also, it is ..... that this is shown on the debit side of realisation account.  
(a) false, true                      (b) true, false  
(c) true, true                      (d) false, false
8. L, M and N are partners sharing profits and losses in the ratio of 3 : 2 : 1. N retires and the new profit sharing ratio between L and M is 1 : 2. On N's retirement, the goodwill of the firm is valued at ₹ 30,000. Amount transferred to M's capital account for the treatment of goodwill on N's retirement will be  
(a) ₹ 10,000                      (b) ₹ 20,000  
(c) ₹ 36,000                      (d) ₹ 24,000
9. Which of the following is the correct sequence for calculation of adjustments at the time of admission of a new partner?  
A. Treatment of goodwill.  
B. Revaluation of assets and reassessment of liabilities.  
C. Adjustment of capital.  
D. New balance sheet.  
**Alternatives**  
(a) B > A > C > D  
(b) B > A > D > C  
(c) A > B > C > D  
(d) D > C > B > A
10. At the time of dissolution of a partnership firm, outstanding liability which was not recorded previously, is realised in cash now. What will be the journal entry to record this transaction?  
(a) Debit realisation account and credit unrecorded liability  
(b) Debit realisation account and credit cash account  
(c) Debit cash account and credit realisation account  
(d) Debit unrecorded liability and credit realisation account

11. With respect to partnership business, which of the following is not true?
- For a partnership firm, interest on capital is an expense.
  - If all the partners agree, a minor may be admitted for the benefit of partnership.
  - A partner who invests more capital is entitled to get higher interest on the excess amount of capital.
  - Interest on advance given to the firm by a partner is a charge.
12. Balance of profit and loss account, if any, at the time of admission, appears in the books, it will be transferred to
- profit and loss adjustment account
  - all partners' capital account
  - old partners' capital account
  - revaluation account
13. Which of the following statements is/are not correct?
- Financial statements analysis ignores the qualitative information
  - Both monetary and non-monetary information are considered in financial analysis
- Alternatives**
- Both are correct
  - Only II is incorrect
  - Only I is incorrect
  - Both are incorrect
14. The liability of shareholders of a public limited company is limited to
- unpaid value of shares
  - nominal value of shares
  - extent of private assets
  - called-up share capital
15. If the partnership deed specifies for the payment of interest on capital, then the interest can be paid only out of
- past profits
  - current profits
  - accumulated profits
  - None of these
16. What will be the interest on drawings of Nishi at 10% p.a. for the year ended 31st March, 2023, if she withdrew ₹ 15,000 in the beginning of each quarter?
- ₹ 3,750
  - ₹ 1,875
  - ₹ 3,000
  - ₹ 2,250
17. Which of the following does the revaluation account is debited with?
- Decrease in the value of assets
  - Increase in the value of an assets
  - Decrease in the value of liabilities
  - Unrecorded asset
18. W and X were partners. They shared profits as  $W - \frac{1}{2}$  and  $X - \frac{1}{3}$  and carried to reserve 16. X died. The balance of reserve on the date of death was ₹ 90,000. X's share of reserve will be
- ₹ 30,000
  - ₹ 24,000
  - ₹ 36,000
  - ₹ 9,000
19. When the partner withdraws an equal amount in the beginning of each month for a period of 10 months, the average period for calculation of interest on drawings will be
- 6.5 months
  - 5.5 months
  - 6 months
  - 7.5 months
20. Amit and Mohit are partners sharing profits and losses in the ratio of 3:2. Before profit distribution, Amit is entitled to 5% commission of the net profit (after charging such commission). Before charging commission, firm's profit was ₹ 84,000. Mohit's share in the profit will be
- ₹ 32,000
  - ₹ 48,000
  - ₹ 52,000
  - ₹ 32,800
21. Which of the following statements is/are correct?
- Interest on debentures is payable even if there is a loss.
  - Debentures are redeemed after a fixed period of time.
  - Debentures may either be secured or unsecured.
  - Debentureholders do not enjoy any voting right.
- Alternatives**
- I and IV are correct
  - I, III and IV are correct
  - I and II are correct
  - All are correct
22. Which of the following is not a part of change in profit sharing ratio?
- Accounting for goodwill
  - Dissolution of partnership firm
  - Determination of sacrificing and gaining ratio
  - Accounting treatment of reserves, accumulated profits and losses

- 23.** Which of the following is not the correct distinction between revaluation account and realisation account?
- Revaluation account is used to revalue assets and liabilities to their current market value, whereas realisation account is used to record the sale of assets or disposal of liabilities.
  - Revaluation is prepared at the time of reconstitution of the firm while realisation is prepared at the time of dissolution of the firm.
  - Revaluation may be prepared many times during the life of the firm where realisation is prepared only once during the life of the firm.
  - In revaluation, accounts of assets and liabilities are closed while in realisation account, there is no closure of these accounts.
- 24.** A and S are partners in a firm sharing profits and losses in the ratio of 3:2. They admit R as a new partner. A surrenders  $\frac{1}{4}$  th of his share and S surrenders  $\frac{1}{3}$  rd of his share in favour of R .
- New profit sharing ratio of A, S and R will be
- 27:15:16
  - 3:3:2
  - 27:16:17
  - 17:26:12
- 25.** Excess value of net assets over purchase consideration at the time of purchase of business is credited to
- general reserve
  - capital reserve
  - vendor's account
  - goodwill account
- 26.** X, Y and Z are partners in a firm. Due to some unavoidable circumstances, the court ordered the firm to be dissolved. Which of the following are the conditions when a court can order the firm for dissolution?
- When any partner becomes of unsound mind.
  - When all the partners agree to dissolve the firm.
  - When any partner knowingly violates the terms of agreement again and again.
  - When dissolution of firm is just and equitable in the opinion of the court.
- Choose the correct answer from the options given below
- A, B and C
  - A, C and D
  - A and B
  - All of these
- 27.** Saahil, Raj and Samarth are partners in a firm with a profit sharing ratio of 2 : 1 : 2. Raj retires. and the balance in his capital account, after making necessary adjustments due to him, was ₹ 1,60,000. Saahil and Samarth agreed to pay him ₹ 2,00,000 in full settlement of his claim. Raj's share of goodwill, on his retirement is
- ₹ 40,000
  - ₹ 8,000
  - ₹ 48,000
  - ₹ 36,000
- 28.** A, B and C, were partners in a firm sharing profits and losses in the ratio of 4 : 3 : 3. The firm was dissolved on 31st March, 2023. The firm had stock of ₹ 80,000. 'A' took over 50% of the stock at a discount of 20% while remaining stock was sold off at a profit of 30% on cost. For how much amount does the remaining stock was sold for?
- ₹ 96,000
  - ₹ 52,000
  - ₹ 54,000
  - ₹ 1,06,000
- 29.** At the time of death of a partner, the profit of the deceased partner till the date of his death is transferred to .....
- revaluation account
  - capital account
  - profit and loss suspense account
  - executor's account
- 30.** Which of the following statements is/are true about private company?
- Private company ends with the words 'Private Limited'.
  - A private company must have at least 2 persons, except in case of one person company.
  - Limits the number of its members to 500.
  - Restriction on the right to transfer its shares.
- Alternatives**
- I, II and IV
  - Only III
  - III and IV
  - All of these
- 31.** In which of the following cases, goodwill is not recorded in the books of firm at the time of admission of a new partner?
- Goodwill brought in cash by new partner
  - Goodwill brought in kind by a new partner
  - Goodwill is paid privately by new partner
  - New partner is unable to pay at the time of admission

32. Which of the following statements is/are correct?
- Commission provided to partner is charge against profits and is to be provided at fixed rate.
  - Commission provided to partner is shown in profit and loss account.

**Alternatives**

- (a) Both are correct (b) Only I is correct  
(c) Only II is correct (d) Both are incorrect

33. The part of the capital which can be called-up only on the winding-up of the company is called
- (a) authorised capital (b) issued capital  
(c) subscribed capital (d) reserve capital

34. Which of the following is not a correct statement?

- A company is legal entity distinct from its owner
- Company is not affected by the death of its member
- Company is managed by all the members

**Alternatives**

- (a) I and II are incorrect (b) Only III is incorrect  
(c) I and III are incorrect (d) All are incorrect

35. In the balance sheet of a company, 'securities premium' is shown under
- (a) current liability (b) share capital  
(c) long-term borrowings (d) reserves and surplus

36. Sia Ltd. issued 1,20,000 convertible 7% debentures of ₹ 100 each at a premium of 20% on 1st April, 2023. Interest is payable on 30th September and 31st March every year.

Assuming that the interest is calculated from the date of issue, the amount of interest expenditure debited to statement of profit and loss for the year ended 31st March, 2024 will be

- (a) ₹ 8,40,000 (b) ₹ 6,99,000  
(c) ₹ 7,68,000 (d) ₹ 4,20,000

37. Rahul and Riya are partners in a firm sharing profits and losses in the ratio 1 : 1. The fixed capitals of Rahul and Riya stood as ₹ 4,00,000 and ₹ 6,00,000 respectively. The interest on capital provided in the partnership deed was

@ 12% p.a. The profits for the year ended 31st March, 2024 were distributed without providing interest on capital. What journal entry will be passed to rectify the above error?

- (a) Debit Rahul's Capital A/c and Credit Riya's Capital A/c by ₹ 6,000  
(b) Debit Rahul's Current A/c and Credit Riya's Current A/c by ₹ 12,000  
(c) Debit Riya's Capital A/c and Credit Rahul's Capital A/c by ₹ 12,000  
(d) Debit Riya's Current A/c and Credit Rahul's Current A/c by ₹ 6,000

38. Find out receivables at the end of the year from the following information

Revenue from operations (credit) ₹ 58,400, credit collection period 73 days, receivables in the beginning of the year ₹ 11,360.

- (a) ₹ 14,000 (b) ₹ 12,000  
(c) ₹ 22,720 (d) ₹ 47,040

39. What will be the creditors turnover ratio when total purchases are of ₹ 3,40,000, cash purchases are of ₹ 32,000, purchase return is of ₹ 16,000, creditors at the end of the year are ₹ 64,000 and creditors in the beginning are ₹ 48,000?

- (a) 5.16 times (b) 5.12 times  
(c) 5.21 times (d) 5.25 times

40. If opening inventory is ₹ 1,20,000, cost of revenue from operations is ₹ 10,00,000 and inventory turnover ratio is 5 times, then closing inventory will be

- (a) ₹ 2,80,000 (b) ₹ 4,00,000  
(c) ₹ 3,20,000 (d) ₹ 1,60,000

## Section B (2 Marks)

41. Which of the following pairs is/are correctly matched?

A. Marketable securities	– Financing activity
B. Royalty received	– Cash equivalent
C. Interest paid to debentures	– Operating activity
D. Purchase of goodwill	– Investing activity

**Codes**

- (a) A, B and D (b) C and D  
(c) Only A (d) Only D



**42.** Which of the following is/are not the sub-ratio of its respective head?

A. Liquid ratio	– Solvency ratio
B. Total assets to debt ratio	– Activity ratio
C. Return on investment	– Profitability ratio
D. Inventory turnover ratio	– Liquidity ratio

**Codes**

- (a) A and C
- (b) A, B and D
- (c) A and D
- (d) B, C and D

**Direction** (Q. No. 43 to 46) There are two statements marked as Assertion (A) and Reason (R). Read the statements and choose the appropriate answer from the options given below

**Alternatives**

- (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)
- (b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A)
- (c) Assertion (A) is true, but Reason (R) is false
- (d) Assertion (A) is false, but Reason (R) is true

**43. Assertion (A)** Issue of debentures does not result in dilution of interest of equity shareholders.

**Reason (R)** Debentureholders do not have right either to vote or to take part in the management of the company.

**44. Assertion (A)** Reserves are the amount set aside out of profits and surplus to meet prospective losses and future uncertainties.

**Reason (R)** It aids in strengthening the financial position of the company.

**45. Assertion (A)** Cash flow statement enables a more realistic assessment of the financial condition of an enterprise and anticipates the cash position.

**Reason (R)** Cash flow statement highlights the changes in the cash position, both the sources and application of cash.

**46. Assertion (A)** Accounting ratios represent relationship between two accounting variables taken from financial statements.

**Reason (R)** They provide information for making cross-sectional analysis by comparing the performance with the best industry standards.

**Direction** Read the following case study and answer the Q.No. 47 to 50 on the basis of the same  
Sagar and Jhanak are partners in a firm. They both are worked hard to built a legacy and reputation for the kind of products that they sell. Over the years, now they feel that they should calculate the goodwill of their firm for further purposes.

The accountants introduced them to the concept of goodwill. On the basis of certain factors, the accountant laid certain guidelines and calculated the goodwill after taking the following into the consideration.

- (i) The capitals of partners are Sagar ₹ 60,000 and Jhanak ₹ 40,000.
- (ii) Profit during the last financial year was ₹ 30,000.
- (iii) Business earns a normal rate of return @ 20%.

**47.** What is the capitalised value of business?

- (a) ₹ 3,00,000
- (b) ₹ 1,50,000
- (c) ₹ 10,00,000
- (d) ₹ 50,000

**48.** What will be the average profit of the firm?

- (a) ₹ 30,000
- (b) ₹ 45,000
- (c) ₹ 60,000
- (d) ₹ 40,000

**49.** What is the value of goodwill by super profit method, if goodwill is valued at 4 year's purchase of super profits?

- (a) ₹ 10,000
- (b) ₹ 40,000
- (c) ₹ 75,000
- (d) ₹ 50,000

**50.** Which of the following factors must have been taken by accountant to lay down guidelines for calculation of goodwill?

- (a) Nature of business
- (b) Location of business
- (c) Market situation
- (d) All of these

## Tie-Breaking Section

### Instructions

1. This section consists of 5 Questions.
2. The score achieved in this section will not be included in the total marks.
3. If overall marks of two or more students are same, winner will be decided based on the score in this section.
4. Participation in this section is optional and students may choose to attempt it or not.

1. Sam, Jam and Nam are partners sharing profits in the ratio of 4 : 3 : 1. On 1st April, 2023, Jam retires from the firm selling his share to Sam and Nam for ₹ 72,000 and ₹ 90,000 respectively in the ratio of 4 : 5. New profit sharing ratio between Sam and Nam will be

- (a) 1 : 3                                      (b) 3 : 1  
(c) 1 : 2                                      (d) 2 : 1

2. On dissolution, C's capital account has a credit balance of ₹ 21,000. He paid realisation expenses of ₹ 1,500 and his share of realisation profit is ₹ 4,500.

The amount transferred to C's capital will be

- (a) ₹ 29,000                                      (b) ₹ 27,000  
(c) ₹ 22,500                                      (d) ₹ 25,500

3. Amit, Namit and Sumit are partners sharing profits and losses in the ratio of 5:3:2. They have admitted Anuj into the partnership for 1/6th share. An extract of their balance sheet on 1st April, 2023 is as follows

**Balance Sheet (Extract)**

Liabilities	Amt (₹)	Assets	Amt (₹)
Investment Fluctuation Fund	54,000	Investment (Cost)	6,00,000

If the market value of investments is ₹ 5,80,000, then the investment fluctuation fund will be shown in the revised balance sheet of the firm at

- (a) ₹ 40,000  
(b) ₹ 54,000  
(c) ₹ 20,000  
(d) Nil

4. A and B are partners sharing the profits and losses in the ratio of 2:3 with capitals of ₹ 12,000 and ₹ 6,000 respectively. On 1st October, 2023, A and B granted loans of ₹ 24,000 and ₹ 12,000 respectively to the firm. The losses before any interest for the year 2023-24 amounted to ₹ 900.

What will be A and B's share of profit or loss?

- (a) A ₹ 1,584, B ₹ 2,376  
(b) A ₹ 3,276, B ₹ 1,584  
(c) A ₹ 2,000, B ₹ 6,000  
(d) A ₹ 900, B ₹ 450

5. Ayaan Ltd. issued 85,000, 12% preference shares of ₹ 100 each at a premium of ₹ 20 per share, payable as  
₹ 30 on application  
₹ 40 on allotment (including premium)  
₹ 30 on first call  
₹ 20 on second and final call

The company received application for 1,00,000 shares and the directors approved the following schemes of allotment.

- (i) Applicants for 20,000 shares were allotted in full.  
(ii) Applicants for 50,000 shares were allotted 80% of the shares applied.  
(iii) Applicants for 30,000 shares were allotted  $83\frac{1}{3}\%$  of the shares applied.

What will be the amount to be received on allotment?

- (a) ₹ 29,50,000                                      (b) ₹ 48,00,000  
(c) ₹ 24,50,000                                      (d) ₹ 36,00,000

