

## Accountancy Previous Year Paper

Q1. By virtue of which Section of the Companies Act 2013, the Central Government is empowered to prescribe the maximum number of partners in a firm, but the number of partners can not be more than 100?

- (a) Section 364
- (b) Section 464
- (c) Section 460
- (d) Section 454

Q2. Rahul Limited purchased a building from Handa Limited for Rs.5,40,000 and the payment is to be made by the issue of shares of Rs. 100 each. What will the number of shares to be issued when shares issued at a premium of 20%?

- (a) 5,500 shares
- (b) 5,400 shares
- (c) 4,400 shares
- (d) 4,500 shares

Q3. On the dissolution of a firm, the Creditors are transferred to:

- (a) Realization Account
- (b) Bank Account
- (c) Cash Account
- (d) Partner's capital Account

Q4. Arrange the journal entries with regard to first call of shares in the correct sequence:

- (A) For Adjustment of Excess Application Money
- (B) For Amount Due on Allotment
- (C) For Allotment money received.
- (D) For Amount Due on call.

Choose the **correct** answer from the options given below:

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

Q5. Match **List-I** with **List-II**

List-1	List-II
(A) On dissolution of a firm, creditors is transferred to:	(I) Bank account is credited
(B) Unrecorded liabilities when paid:	(II) Realization Account
(C) When realization expenses are paid by the firm on behalf of a partner, such expenses are debited to:	(III) Bank account is debited.
(D) When unrecorded assets are sold	(IV) Partner's Capital Account

Choose the **correct** answer from the options given below:

- (a) (A) - (II), (B) - (I), (C) - (IV), (D) - (III)
- (b) (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
- (c) (A) - (I), (B) - (II), (C) - (IV), (D) - (III)
- (d) (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

Q6. Which among the following is NOT true about the Partnership?

- (a) Each partner is liable jointly with all the other partners and also severally to the third party for all the acts of the firm done while he is a partner.
- (b) Partnership is the result of an agreement between two or more persons to do business and share their profits and losses.
- (c) If persons join hands for the purpose of some charitable activity it can be termed as partnership.
- (d) The minimum number of partners in a firm can be two.



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### Q14. Match List-I with List-II

List-I	List-II
(A) These debentures refer to those debentures where a charge is created on the assets of the company for the purpose of payment in case of default.	(I) Bearer Debentures
(B) These debentures are those which are payable on the expiry of the specific period either in lump sum or in installments during the lifetime of the company.	(II) Zero Coupon Rate Debentures
(C) These debentures do not carry a specific rate of interest.	(III) Redeemable Debentures
(D) These debentures are the debentures which can be transferred by way of delivery and the company does not keep any record of the debentures interest on the debentures that is paid to a person who produces the interest coupon attached to such debentures.	(IV) Secured Debentures

Choose the **correct** answer from the options given below:

- (a) (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
- (b) (A) - (IV), (B) - (III), (C) - (II), (D) - (I)
- (c) (A) - (I), (B) - (II), (C) - (IV), (D) - (III)
- (d) (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

Q15. If there are some accumulated losses in the form of a debit balance of profit and loss account appearing in the balance sheet of the firm. It should be transferred to:

- (a) The old partners' capital accounts.
- (b) The new partners' capital accounts.
- (c) All partners' capital accounts.
- (d) Not any partners' capital accounts.

Q16. Which among the following statements is NOT true

- (a) Share application account is a personal account.
- (b) The director of a company must be a shareholder.
- (c) Paid up capital can exceed called up capital.
- (d) Capital reserves are created from capital profits.

Q17. When a firm is dissolved, Provision for Bad and Doubtful Debt Account :-

- (a) Is transferred into Realisaion Account and paid out.
- (b) Is transferred into Realisaion Account but not paid out.
- (c) Is not transferred into Realisaion Account.
- (d) Is not transferred into Realisaion Account and also not paid out.

Q18. Table F of the Companies Act provides for the payment of interest on calls in advance at a rate not exceeding:

- (a) 10% per annum.
- (b) 12% per annum.
- (c) 11% per annum.
- (d) 15% per annum.

Q19. When a firm is dissolved, the Balance of Investment Account and Balance of Investment Fluctuation Fund Account, shown by Firm's Balance Sheet are transferred into .....and into .....respectively:-

- (a) Debit Side of Realisation Account, Credit side of Realisation Account
- (b) Credit Side of Realisation Account, Debit side of Realisation Account

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- (c) Credit Side of Realisation Account, Debit side of Capital Account  
 (d) Credit Side of Realisation Account, Credit side of Current Account

Q20. Ranjana, Sadhna and Kamana are partners, sharing profits in the ratio 4:3:2. Ranjana retires; Sadhna and Kamana decide to share profits in the future at the ratio of 5: 3. Calculate the Gaining Ratio:

- (a) 11: 21  
 (b) 25: 11  
 (c) 21: 11  
 (d) 20: 10

Q21. Pinki, Deepti and Kaku are partner's sharing profits in the ratio of 5:4:1. Kaku is given a guarantee that his share of profits in any given year would not be less than Rs 5000. Deficiency, if any, would be borne by Pinki and Deepu equally. Calculate the deficiency assumed by Pinki and Deepti for each case separately if profits for the year were:-

Case I - Rs 40,000

or

Case II - Rs 60,000

- (a) Case I - Rs 500 each by Pinki and Deepti  
 Case II - Rs 0 each by Pinki and Deepti  
 (b) Case I - Rs 0 each by Pinki and Deepti  
 Case II - Rs 500 each by Pinki and Deepti  
 (c) Case I - Rs 1000 each by Pinki and Deepti  
 Case II - Rs 500 each by Pinki and Deepti  
 (d) Case I - Rs 500 each by Pinki and Deepti  
 Case II - Rs 100 each by Pinki and Deepti

Q22. The profits for the five years of a firm are as follows - year 2013 Rs. 4,00,000; year 2014 Rs. 3,98,000; year 2015 Rs. 4,50,000; year 2016 Rs. 4,45,000 and year 2017 Rs. 5,00,000. Calculate the goodwill of the firm on the basis of a 4 -year purchase of 5 years average profits:

- (a) Rs. 16,54,400  
 (b) Rs. 17,54,400  
 (c) Rs. 18,54,400  
 (d) Rs. 17,00,400

Q23. A firm is dissolved compulsorily in the following cases:

- (A) When all the partners or all but one partner, become insolvent, rendering them incompetent to sign a contract;  
 (B) When the business of the firm becomes illegal  
 (C) Change in existing profit sharing ratio among partners  
 (D) When some event has taken place which makes it unlawful for the partners to carry on the business of the firm in partnership.

Choose the *correct* answer from the options given below:

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

Q24. A, B and C are partners in a firm. If B is being retired from the firm, what would be its effect?

- (a) Nothing is affected.  
 (b) Old firm and old partnership would be dissolved  
 (c) Old firm would be dissolved  
 (d) Old partnership would be reconstituted

Q25. Arrange the following in correct sequence :

- (A) Paid up Capital  
 (B) Subscribed Capital  
 (C) Issued Capital  
 (D) Authorised Capital

Choose the **correct** answer from the options given below:

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

Q26. Himanshu withdrew Rs 2,500 at the end of each month. The partnership deed provides for charging of interest on drawings @ 12% p.a. Calculate interest on Himanshu's drawings for the year ended March 31, 2017

- (a) Rs 1,950
- (b) Rs 1,650
- (c) Rs 3,600
- (d) Rs 1,675

Q27. At the time of admission of a new partner, general reserve appears in the old balance sheet is transferred to:

- (a) All partner's capital account
- (b) New partner's capital account
- (c) Old partner's capital account
- (d) Neither old nor new partner's account

Q28. What is the nominal share capital?

- (a) The amount actually paid by the shareholders
- (b) The maximum amount of share capital which a company is authorised to issue.
- (c) The amount of capital which is actually applied for by the prospective shareholders.
- (d) That part of the authorized capital which is issued by the company.

Q29. Identify the correct sequence for finding out divisible Profit & Loss for a Partnership Firm manufacturing Steel pipes:

- (A) Transfer amount to general reserve, as per requirement.
- (B) Allow interest on capital and charge interest on drawing.
- (C) Transfer of the balance of profit and loss account to profit and loss appropriation A/C
- (D) Find out the balance amount to be distributed among partners.

Choose the **correct** answer from the options given below:

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

Q30. Unrecorded liabilities when paid are shown in:

- (a) Debit of Realisation Account
- (b) Debit of Bank Account
- (c) Credit of Realisation Account
- (d) Credit of Bank Account

Q31. Arrange the steps of method, Capitalization of Average for the calculation of goodwill, in the correct sequence:

(A) Capitalize the average profits on the basis of the normal rate of return to ascertain the capitalized value of average profits as follows:

Average Profits  $\times$  100/ Normal Rate of Return

(B) Ascertain the average profits based on the past few years' performance.

(C) Ascertain the actual firm's capital (net assets) by deducting outside liabilities from the total assets (excluding goodwill and fictitious assets).

Firms' Capital = Total Assets (excluding goodwill) - Outside Liabilities

Where outside Liabilities include both long term and short term Liabilities

(D) Compute the value of goodwill by deducting net assets from the capitalized value of average profits,

Choose the **correct** answer from the options given below:

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

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Q32. In the absence of any information regarding the acquisition of share in profit of the retiring/deceased partner by the remaining partners, it is assumed that they will acquire his/her share in:

- (a) Gaining ratio
- (b) Equal Ratio
- (c) New Profit Sharing Ratio
- (d) Old Profit Sharing Ratio

Q33. Perpetual Debentures are also known as :-

- (a) Non-Convertible Debentures
- (b) Unsecured Debentures
- (c) Registered Debentures
- (d) Irredeemable Debentures

Q34. Which of the following are the correct statements regarding debentures/debentures interest.

- (A) The payment of interest on debentures is a charge on the profits of the company.
- (B) Redeemable debentures are those debentures which are payable on the expiry of the specific period.
- (C) Debentures cannot be converted into shares.
- (D) Perpetual debentures are also known as irredeemable debentures.

Choose the **correct** answer from the options given below:

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

Q35. Match **List-I** with **List-II**

List-1	List-II
(A) The maximum amount of share capital which a company is authorized to issue is known as:	(I) Capital reserve
(B) Shares can be forfeited for:	(II) Share capital
(C) The profit on the reissue of forfeited shares is transferred to:	(III) Nominal share capital
(D) Balance of share forfeiture account is shown in the balance sheet under the item:	(IV) Non-payment of call money

Choose the **correct** answer from the options given below:

- (a) (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
- (b) (A) - (II), (B) - (I), (C) - (III), (D) - (IV)
- (c) (A) - (I), (B) - (II), (C) - (IV), (D) - (III)
- (d) (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

Q36. The Partnership agreement between Maneesh and Girish provides that:

- (A) Profits will be shared equally
  - (B) Maneesh will be allowed a salary of Rs 400 pm
  - (C) Girish who manages the sales department will be allowed a commission of 10% of the net profits after deducting Maneesh's salary
  - (D) 7% p.a. interest will be allowed on Partner's fixed capital
  - (E) 5% p.a. interest will be charged on partner's annual drawings
  - (F) The fixed capitals of Maneesh and Girish are Rs 1,00,000 and Rs. 80,000 respectively. Their annual drawings were Rs. 16,000 and Rs 14,000 respectively. The net profit for the year ended March 31, 2019 amounted to Rs. 40,000
- Calculate the profit allocated to each partner after all adjustments.
- (a) Rs 22,890 to each partner
  - (b) Rs 8,790 to each partner
  - (c) Rs 10,050 to each partner
  - (d) Rs 10,290 to each partner

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Q37. Which of the following is the correct statement in respect of Forfeited Shares :-

- (a) These shares can only be re-issued at a premium.
- (b) These shares can only be re-issued at par.
- (c) These shares can only be re-issued at a discount.
- (d) These shares can either be cancelled or can be re-issued.

Q38. Suvidha Ltd. purchased machinery worth Rs.1,98,000 from Suppliers Ltd. The payment was made by issue of 12% debentures of Rs. 100 each. How many debentures will be issued at a 10% discount?

- (a) 3,200 debentures
- (b) 1,900 Debentures
- (c) 1,800 Debentures
- (d) 2,200 debentures

Q39. In case of the dissolution of a firm, the firm ceases to conduct business and has to settle its accounts. Arrange the following in the correct sequence :

- (A) In paying to each partner proportionately what is due to him on account of capital
- (B) In paying the debts of the firm to the third parties
- (C) In paying each partner proportionately what is due to him/her from the firm for advances as distinguished from capital (i.e. partner's loan)
- (D) The residue, if any, shall be divided among the partners in their profit sharing ratio

Choose the correct answer from the options given below:

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

Q40. Rohit and Mohit are partners in a firm sharing profits in the ratio of 5:3. They admitted Bijoy as a new partner for 1/7 share in the profit. The new profit sharing ratio will be 4: 2: 1. Calculate the sacrificing ratio of Rohit and Mohit

- (a) 5: 3
- (b) 3: 5
- (c) 3: 4
- (d) 3: 7

Q41. The balance of the share forfeiture account is shown in the balance sheet under the item :

- (a) Unsecured loans
- (b) Share capital
- (c) Reserves and surpluses
- (d) Current liabilities and provisions

Q42. All assets (except cash/bank and fictitious assets) are transferred to the \_\_\_\_\_ side of \_\_\_\_\_ Account.

- (a) Debit/Capital
- (b) Credit/Capital
- (c) Realization/Capital
- (d) Debit/Realization

Q43. The following are the features of the fluctuating capital method by which the capital accounts of partners can be maintained.

- (A) Under the fluctuating capital method, only one account, i.e. capital account is maintained for each partner.
- (B) All the adjustments such as share of profit and loss, interest on capital, drawings, interest on drawings, etc. are recorded directly in the capital accounts of the partners.
- (C) the capital of the partners shall remain fixed unless additional capital is introduced or a part of the capital is withdrawn as per the agreement between the partners.
- (D) The capital account may sometimes show a debit balance.

Choose the **correct** answer from the options given below:

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

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Q44. On the admission of a new partner, an increase in the value of assets is debited to:

- (a) Profit and Loss Adjustment account
- (b) Assets account
- (c) Old partner's capital account
- (d) New Partner Capital Account

Q45. Match **List-I** with **List-II**

List-I	List-II
(A) Under Subscription	(I) Issue of Shares at an amount more than the nominal or par value of shares.
(B) Issue of Shares at a Premium	(II) It is a situation where the number of shares applied for is less than the number for which applications have been invited for subscription.
(C) Over Subscription	(III) The amount so received from the shareholders when shareholders pay a part or the whole of the amount of the calls not yet made.
(D) Calls in Advance	(IV) when applications for more shares of a company are received than the number offered to the public for subscription

Choose the **correct** answer from the options given below:

- (a) (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
- (b) (A) - (II), (B) - (I), (C) - (IV), (D) - (III)
- (c) (A) - (I), (B) - (II), (C) - (IV), (D) - (III)
- (d) (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

Q46. Which technique is used to assess profitability, solvency and efficiency of an enterprise through the technique of ratio analysis?

- (a) Trend Analysis
- (b) Ratio Analysis
- (c) Cash Flow Analysis
- (d) Comparative Statements

Q47. Which among the following items is shown as the Major Head in the balance sheet of a company?

- (a) Deferred tax assets
- (b) Current Assets
- (c) Trade payables
- (d) Long term provisions

Q48. Match **List-I** with **List-II**

List-I	List-II
(A) Operating activities	(I) Proceeds from long-term borrowings
(B) Investing activities	(II) Short-term deposit
(C) Financing activities	(III) Rent paid
(D) Cash equivalents	(IV) Proceeds from sale of old machinery

Choose the correct answer from the options given below:

- (a) (A) - (II), (B) - (I), (C) - (III), (D) - (IV)
- (b) (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
- (c) (A) - (I), (B) - (II), (C) - (IV), (D) - (III)
- (d) (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

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Q49. Which among the following is NOT the feature of the Presentation of the Financial Statement?

- (a) Accounting standards shall prevail over Schedule III of the Companies Act, 2013.
- (b) Rounding off requirements is mandatory.
- (c) Disclosure on the face of the financial statements or in the notes is not essential or mandatory.
- (d) Current and non-current bifurcation of assets and liabilities is applicable.

Q50. The items in the "statement of profit and loss", for the Revenue from operations DON'T include: If it is a non-finance company

- (a) Sale of products
- (b) Interest income
- (c) Sale of services
- (d) Other operating revenues

Q51. What does the "cell reference" in a formula typically consist of?

- (a) The row number followed by the column letter
- (b) The column letter followed by the row number
- (c) The sheet name only
- (d) The file path

Q52. How is an absolute cell reference indicated?

- (A) With a # sign before the cell
  - (B) With a \$ sign before the column and/or row
  - (C) With parentheses around the cell
  - (D) With a \$ sign before the column and/or row
- Choose the **correct** answer from the options given below:
- (a) (B) only
  - (b) (A), (B) and (D) only
  - (c) (C) only
  - (d) (C) and (D) only

Q53. Which of the following is NOT a method to create a drop-down list for data validation?

- (a) Typing a list of values separated by commas
- (b) Selecting a range of cells containing list values
- (c) Using a Named Range to refer to list values
- (d) Creating a pivot table

Q54. How do you add the Data Form button to Excel's Quick Access Toolbar? Click Quick Access Toolbar arrow

- (A) Add
- (B) All Commands
- (C) Form
- (D) More Commands

Choose the **correct** answer from the options given below:

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

Q55. What shape is the Fill Handle in Excel?

- (a) Circle
- (b) Small black square
- (c) Triangle
- (d) Cross