

Q1. Saloni and Srishti are partners in a firm. Their capital accounts as on April 01, 2019 showed a balance of Rs. 2,00,000 and Rs. 3,00,000 respectively. On July 01, 2019, Saloni introduced additional capital of Rs. 50,000 and Srishti, Rs. 60,000. On October 01, 2019 Saloni withdrew Rs. 30,000 and on January 01, 2020 Srishti withdrew Rs. 15,000 from their respective capitals. Interest is allowed @ 8% p.a. Calculate interest payable on capital to Saloni during the financial year 2019-2020.

- (a) Rs. 8,800  
 (b) Rs. 17,800  
 (c) Rs. 14,400  
 (d) Rs. 20,800

Q2. A and B are partners in a firm sharing profits in the ratio 2: 1. C is admitted into the firm with  $\frac{1}{4}$ th share in profits and he brings Rs. 30,000 as his capital. If the capitals of A and B are to be adjusted in their profit sharing ratio then the capital of A will be-

- (a) Rs. 50,000  
 (b) Rs. 60,000  
 (c) Rs. 30,000  
 (d) Rs. 40,000

Q3. Ramesh and Suresh are partners in a firm sharing profits in the ratio of 4: 3. They admitted Mohan as a new partner. The profit sharing ratio of Ramesh, Suresh and Mohan will be 2:3:1. Choose the correct option with regards to the gain or sacrifice of old partner-

- (a) Ramesh's sacrifice =  $\frac{10}{42}$   
 (b) Ramesh's sacrifice =  $\frac{7}{42}$   
 (c) Suresh's sacrifice =  $\frac{3}{42}$   
 (d) Suresh's sacrifice =  $\frac{10}{42}$

Q4. Hanny, Pammy and Sunny are partners sharing profits in the ratio of 3: 2: 1. Goodwill is appearing in the books at a value of Rs. 60,000. Pammy retires and at the time of Pammy's retirement, goodwill is valued at Rs. 84,000 . Hanny and Sunny decided to share future profits in the ratio of 2: 1. Pammy's share of current value of goodwill is-

- (a) Rs. 42,000  
 (b) Rs. 48,000  
 (c) Rs. 28,000  
 (d) Rs. 24,000

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

List-I	List-II
(A) Unsecured Debentures	(I) These debentures are issued with a specified rate of interest.
(B) Redeemable Debentures	(II) These debentures do not have a specific charge on the assets of the company.
(C) Specific Coupon Rate Debentures	(III) These are those which are payable on the expiry of the specific period either in lump sum or in Instalments during the life time of the company.
(D) Bearer Debentures	(IV) The debentures which can be transferred by way of delivery and the company does not keep any record of the debentures.

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

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

## Accountancy Previous Year Paper

Q6. Arrange Steps For Capitalisation of Super Profits:

- (A) Calculate average profit for the past years, as specified.
- (B) Calculate the capital of the firm.
- (C) Calculate normal profits on capital employed.
- (D) Multiply the super profits with the required rate of return multiplier
- (E) Calculate super profits by deducting normal profits from average profits.

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

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

Q7. Determine the value of firm's goodwill by capitalization of the super profit method if the average profits are Rs 1,00,000, super profits are Rs 18,000 and the normal rate of return is 10%.

- (a) Rs 10,00,000
- (b) Rs 5,00,000
- (c) Rs 1,80,000
- (d) Rs 88,000

Q8. Arrange the following balance sheet items in accordance with the manner prescribed in the revised Schedule III to the Companies Act, 2013-

- (A) Current Assets
- (B) Shareholder's Funds
- (C) Non-current Liabilities
- (D) Non-Current Assets
- (E) Current Liabilities

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

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

Q9. Partnership comes into existence as a result of an agreement among the partners, that agreement is called.....

- (a) Partnership
- (b) Partnership Document
- (c) Partnership Deed
- (d) Partnership Constitution.

Q10. When realisation expenses are paid by the firm on behalf of a partner, which account will be debited:

- (a) Realisation Account
- (b) Partner's Capital Account
- (c) Partner's Loan Account
- (d) Revaluation Account

Q11. Jain and Co. purchased a machine from Young Life Machine Limited for Rs. 3,80,000. As per the purchase agreement, Rs. 20,000 were paid in cash and balance by issue of shares of Rs. 100 each. How many shares are issued if the shares are issued at 20% premium.

- (a) 3,600 shares
- (b) 3,200 shares
- (c) 3,000 shares
- (d) 3,800 shares

Q12. Aashish withdrew Rs. 10,000 per month from the firm for his personal use during the year ending March 31, 2017. Calculate the interest on drawings, which is charged @ 8% p.a., when the amount is withdrawn at the beginning of each month -

- (a) Rs. 5,400
- (b) Rs. 5,200

- (c) Rs. 4,400
- (d) Rs, 4,800

Q13. Which of the following is not the tool for analysis of Financial Statements-

- (a) Comparative Statements
- (b) Common Size Statements
- (c) Trend Analysis
- (d) Balance sheet

Q14. Which statement is not true about Capital Accounts of Partner-

- (a) Under the fixed capital method, the capitals of the partners shall remain fixed unless additional capital is introduced or a part of the capital is withdrawn as per the agreement among the partners.
- (b) Under the fluctuating capital method, two account, i.e. capital account and current account is maintained for each partner.
- (c) Under the fixed capital method, While the partners' capital accounts shall always appear on the liabilities side in the balance sheet, the partners' current account's balance shall be shown on the liabilities side, if they have credit balance and on the assets side, if they have debit balance.
- (d) Under the fluctuating capital method, only one account, i.e. capital account is maintained for each partner.

Q15. Which view shows margins and the rulers?

- (a) Normal
- (b) Page Layout
- (c) Page Setup
- (d) Review

Q16. Which of the following is not a feature of a Company-

- (a) A company is formed according to the provisions of Law enforced from time to time.
- (b) A company has a separate legal entity which is distinct and separate from its members.
- (c) The liability of the members of the company is limited to the extent of unpaid amount of the shares held by them.
- (d) The company being an artificial person, can sign its name by itself.

Q17. Kumar, Lakshya, Manoj and Naresh are partners sharing profits in the ratio of 3: 2: 1: 4. Kumar retires and his share is acquired by Lakshya and Manoj in the ratio of 3: 2. The gaining ratio of the remaining partners is .....?

- (a) 3: 2: 1
- (b) 3: 2: 0
- (c) 2:3:0
- (d) 3: 4: 1

Q18. Which of the following combination of statements are NOT true-

- (A) Financial analysis is used only by the creditors.
- (B) Comparative statements are the form of vertical analysis
- (C) The financial statements of a business enterprise include cash flow statement.
- (D) Ratio analysis establishes relationship between two financial statements.

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

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

Q19. The books of a business showed that the firm's capital employed on December 31, 2015, is Rs. 5,00,000 and the profits for the last five years were: 2011-Rs. 40,000; 2012-Rs. 50,000; 2013-Rs. 55,000; 2014-Rs.70,000 and 2015-Rs. 85,000.

You are required to find out the normal profits of the business, given that the normal rate of return is 10%.

- (a) Rs. 70,000
- (b) Rs. 30,000
- (c) Rs. 50,000
- (d) Rs. 60,000

## Accountancy Previous Year Paper

Q20. The profit 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. The goodwill of the firm on the basis of 4 years purchase of 5 years average profits is-

- (a) Rs. 4,38,600
- (b) Rs. 21,93,000
- (c) Rs. 17,54,400
- (d) Rs. 20,45,200

Q21. Match **List-I** with **List-II**

List-I	List-II
(A) Sacrificing ratio	(I) Dissolution of Partnership
(B) Gaining Ratio	(II) Admission of a New Partner
(C) Executors Account	(III) Retirement of a Partner
(D) Realisation Account	(IV) Death of a Partner

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

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

Q22. Which of the following is not a general feature of partnership-

- (a) In order to form partnership, there should be at least two persons coming together for a common goal.
- (b) Partnership is the result of an agreement between two or more persons to do business and share its profits and losses.
- (c) The agreement should be to carry on some business.
- (d) Liability of Partners are limited to the extent of capital contribution.

Q23. On dissolution of the firm, partner's capital accounts are closed through-

- (a) Realisation Account
- (b) Drawings Account
- (c) Bank Account
- (d) Loan Account

Q24. Correct steps in the procedure of issue of shares are-

- (A) Allotment of Shares
- (B) Calls in Arrears
- (C) Issue of Prospectus
- (D) Receipt of Applications

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

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

Q25. Hari, the holder of 1200 shares paid the amount due on first call @ Rs 2/- per share along with second and final call which became due after 1 month from the due date of first call. What interest will be charged from Hari on calls in arrears:

- (a) Rs 20
- (b) Rs 24
- (c) Rs 40
- (d) Rs 48

Q26. Which combination of statements is true about partnership-

- (A) Valid partnership can be formulated even without a written agreement between the partners.
- (B) Methods of settlement of disputes among the partners can't be part of the partnership deed.

## Accountancy Previous Year Paper

(C) If the deed is silent, interest at the rate of 6% p.a. would be charged on the drawings made by the partner.

(D) Each partner carrying on the business is the principal as well as the agent for all the other partners.

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

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

Q27. Match **List-I** with **List-II**

List-I	List-II
(A) Authorised Capital	(I) It is that part of the subscribed capital which has been called up on the shares.
(B) Issued Capital	(II) It is that part of the issued capital which has been actually subscribed by the public.
(C) Subscribed Capital	(III) It is that part of the authorised capital which is actually issued to the public for subscription.
(D) Called up Capital	(IV) The amount of share capital which a company is authorised to issue by its Memorandum of Association

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

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

Q28. According to section ..... of the Partnership Act, 1932, the dissolution of partnership between all the partners of a firm is called the dissolution of the firm.

- (a) 36
- (b) 37
- (c) 38
- (d) 39

Q29. Which combination of the following activities are financing activities-

- (A) Proceeds from issue of equity share capital.
- (B) Purchase of goodwill.
- (C) Proceeds from long-term borrowings.
- (D) Interim dividend paid on equity shares.

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

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

Q30. The Profit on reissue of forfeited shares is transferred to:

- (a) General Reserve
- (b) Capital Redemption Reserve
- (c) Capital Reserve
- (d) Reserve Capital

Q31. Match **List-I** with **List-II**

List-I	List-II
(A) For Transfer of Application Money	(I) Share Allotment A/c Dr. To Share Capital A/c
(B) For Money Refunded on Rejected Application	(II) Share Application A/c Dr. To Share Capital A/c
(C) For Amount Due on Allotment	(III) Share Application A/c Dr. To Bank A/c
(D) For Receipt of Allotment Money	(IV) Bank A/c Dr. To Share Allotment A/C

## Accountancy Previous Year Paper

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

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

Q32. Match **List-I** with **List-II**

List-I	List-II
(A) Operating activity	(I) Bank
(B) Investing activity	(II) Redemption of preference shares
(C) Financing activity	(III) Purchase of machinery
(D) Cash equivalents	(IV) Cash receipt from trade receivables.

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

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

Q33. Which entries are correct in accordance with the manner prescribed in the revised Schedule III to the Companies Act, 2013-

- (A) The shareholders' funds are sub-classified as Share Capital, Reserves and Surplus & Money received against Share Warrants.
- (B) Reserves and Surplus include Revaluation Reserve.
- (C) Both tangible and intangible assets are current assets.
- (D) Deferred tax assets/liabilities are always non-current.

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

Q34. A graph is a pictorial representation of data, which has at least ----- dimensional relationship.

- (a) 1
- (b) 2
- (c) 3
- (d) 4

Q35. Arrange Financial Statements in Correct Sequence-

- (A) Cash Flow Statement
- (B) Balance Sheet
- (C) Profit and Loss A/c
- (D) Trading Account

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

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

Q36. The Court may order a partnership firm to be dissolved in which of the following case?

- (a) When the business of the firm becomes illegal
- (b) On the death of a partner
- (c) When a partner becomes insane
- (d) On the expiry of the term of the partnership

## Accountancy Previous Year Paper

Q37. Arrange the following steps involved in various accounting aspects of retirement/death of a partner in a sequence -

- (A) Settlement of the amounts due to retired/deceased partner
- (B) Ascertainment of new profit sharing ratio and gaining ratio
- (C) Adjustment of capital, if required
- (D) Revaluation of assets and liabilities

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

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

Q38. Which of the following is called Registered capital of a company?

- (a) Subscribed capital
- (b) Issued Capital
- (c) Nominal Capital
- (d) Reserve capital

Q39. Identify the incorrect journal entry related to Revaluation of Assets and Liabilities of a firm.

- (a) For increase in the value of assets:  
Assets A/C's (Individually) Dr.  
    To Revaluation A/c  
(Increase in the value of assets)
- (b) For decrease in the value of assets  
Revaluation A/c Dr.  
    To Assets A/C's (Individually)  
(Decrease in the value of assets)
- (c) For increase in the amount of liabilities  
Revaluation A/C Dr.  
    To Liabilities A/c (Individually)  
(Increase in the amount of liabilities)
- (d) For an unrecorded liability:  
Liability A/c Dr.  
    To Revaluation A/C  
(Unrecorded liability brought into books)

Q40. Which combination of statements is true about dissolution-

- (A) Dissolution of a partnership is different from dissolution of a firm.
- (B) A partnership is dissolved when there is a death of a partner.
- (C) A firm is dissolved when all partners give consent to it.
- (D) A firm is compulsorily dissolved when a partner decides to retire.

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

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

### Comprehension:

**[41-45] Answer the next 5 questions from the passage-**

Following information is provided about a Firm:

Share Capital:

Equity (Rs.10) Rs. 4,00,000

12% Preference Rs. 1,00,000

General Reserve Rs. 1,84,000

10% Debentures Rs. 4,00,000

Current Liabilities Rs. 1,00,000

Fixed Assets Rs. 9,50,000

## Accountancy Previous Year Paper

Current Assets Rs. 2,34,000

The market price of the share is Rs. 34 and the net profit after tax was Rs. 1,50,000, and the tax had amounted to Rs. 50,000.

Q41. Profit before interest and tax-

- (a) Rs. 1,50,000
- (b) Rs. 1,80,000
- (c) Rs. 2,40,000
- (d) Rs. 2,50,000

Q42. P/E Ratio (Price Earning Ratio)

- (a) 8.94 Times
- (b) 9.14 Times
- (c) 9.86 Times
- (d) 8.24 Times

Q43. Return on Shareholders' Funds

- (a) 21.93%
- (b) 19.72%
- (c) 20.84%
- (d) 21.07%

Q44. Return on Investment is

- (a) 20.04%
- (b) 22.14 %
- (c) 24.84%
- (d) 19.42%

Q45. EPS ( Earning per share)-

- (a) 4.85
- (b) 3.45
- (c) 2.86
- (d) 3.89

### Comprehension:

**[46-50] Answer the next 5 questions from the passage-**

XYZ Ltd. purchased assets worth Rs 3,00,000 from Blue Prints Ltd., and took over its liabilities of Rs 20,000 for a purchase consideration of Rs 3,15,000. XVZ Ltd., paid the purchase consideration by issuing 12% debentures of Rs 100 each at a premium of 5%.

Q46. Which situation is not true about Issue of Debentures-

- (a) Issued at par and redeemable at par
- (b) Issued at a premium and redeemable at par
- (c) Issued at par and redeemable at a premium
- (d) Issued at a discount and redeemable at a discount

Q47. How many debentures would be issued, if debentures were issued at par?

- (a) 3,000
- (b) 3,150
- (c) 3,300
- (d) 3,500

Q48. Number of debentures issued are:

- (a) 2,500
- (b) 2,800
- (c) 3,000
- (d) 3,150

**Accountancy Previous Year Paper**

Q49. Which account, and with what amount, will be debited for the excess amount of the net assets over purchase consideration at the time of the purchase of the business by XYZ Ltd.,

- (a) Goodwill Rs 35,000
- (b) Capital reserve Rs 35,000
- (c) Goodwill Rs 25,000
- (d) Capital reserve Rs 25,000

Q50. Blue Prints Ltd., account will be:

- (a) Debited by Rs 3,00,000
- (b) Debited by Rs 3,15,000
- (c) Credited by Rs 3,00,000
- (d) Credited by Rs 3,15,000

