

## Accountancy Previous Year Paper

Q1. P, Q and R share profits equally. At the time of P's retirement, goodwill appears in the books at Rs. 3000. P will be debited with \_\_\_\_\_ amount for Goodwill share.

- (a) Rs. 2000
- (b) Rs. 1000
- (c) Rs. 3000
- (d) Rs. 6000

Q2. Unrecorded liabilities when paid at the time of dissolution of a partnership firm, are shown in:

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

Q3. Arrange the following in correct order in which assets of the firm can be used in their settlement.

- (A) Residue shall be divided between the partners in their profit sharing ratio.
- (B) In paying the partners proportionately what is due to him/her on account of capital.
- (C) In paying the partners proportionately what is due to him/her from the firm for advances/loans.
- (D) In paying the debts of the firm to the third parties.

Choose the correct answer from the options given below:

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

Q4. A and B are partners sharing profits equally with capitals of Rs 45,000 each. They admitted C as a new partner for one-third share in the profit. C brings in Rs 6000 as his capital. Find the value of Firm Goodwill.

- (a) Rs. 1,80,000
- (b) Rs. 1,50,000
- (c) Rs. 90,000
- (d) Rs. 30,000

Q5. A and B are partners in a firm with their fixed capital Rs. 4,00,000 and 5,00,000 respectively. After preparation of accounts, it was found that interest on capital @ 10% p.a as provided by the partnership deed is omitted. In order to rectify the mistake, A's Current account will be.....?

- (a) Credited by Rs 5,000.
- (b) Debited by Rs 5,000
- (c) Credited by Rs 10,000
- (d) Debited by Rs 10,000

Q6. Choose a pair of correct statements

- (A) The only purpose of financial reporting is to keep the managers informed about the progress of operations.
- (B) Analysis of data provided in the financial statements is termed as financial analysis.
- (C) Long-term borrowings are concerned about the ability of a firm to discharge its obligations to pay interest and repay the principal amount.
- (D) The ratio reflects quantitative and qualitative aspects of the results.

Choose the correct answer from the options given below:

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

Q7. Match List-I with List-II

List-I	List-II
(A) Liquidity Ratios	(I) Debt to Capital Employed Ratio
(B) Solvency Ratios	(II) Net profit ratio

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(C) Activity Ratios	(III) Current Ratio
(D) Profitability Ratios	(IV) Working capital Turnover Ratio

Choose the correct answer from the options given below.

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

Q8. Match List-I with List-II

List-I	List - II
(A) SHAREHOLDERS FUND	(I) Non-current investments
(B) CURRENT LIABILITIES	(11) Reserves and Surplus
(C) CURRENT ASSET	(III) Trade Payables
(D) FIXED ASSET	(IV) Inventories

Choose the correct answer from the options given below:

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

09. Which Element is not used in Payroll Calculation -

- (a) Dearness Allowances (DA)  
 (b) House Rent Allowances (HRA)  
 (c) Provident Fund (PF)  
 (d) Goods and Service Tax (GST)

Q10. ABC Ltd., issued 3,000, 14% Debentures of Rs. 100 each at a discount of 5% on April 1, 2023. Interest on these debentures is payable annually on March 31 each year. The debentures are redeemable at par in three equal instalments at the end of the third, fourth and fifth year. Discount on issue of debentures is -

- (a) Rs. 15,000  
 (b) Rs. 10,000  
 (c) Rs. 25,000  
 (d) Rs. 30,000

Q11. Which account is credited if the value of net assets exceeds purchase consideration at the time of purchase of business?

- (a) General Reserve  
 (b) Capital Reserve  
 (c) Vendor's Account  
 (d) Redemption Reserve

Q12. Match List-I with List-II

List-I	List-II
(A) Operating Activities	(I) Current Investment
(B) Investing Activities	(II) Dividends paid on equity and preference capital
(C) Financing Activities	(III) Cash receipt from disposal of fixed assets including intangibles
(D) Cash equivalents	(IV) Cash receipts from royalties, fees, commissions and other revenues

Choose the correct answer from the options given below:

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

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Q13. Which of the following factors leads to a higher goodwill for firms?

- (A) Firms having long term contracts for supply of materials
- (B) Firms with efficient management
- (C) Firms which are highly profitable
- (D) Firms which do not have competitive advantages

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

Q14. In case of dissolution Machine costing Rs 20,000 alongwith cash of Rs 5,000 were given to creditors of Rs 30,000 in full settlement of their claim.

In this case Realisation A/c will be Debited with\_\_\_\_\_

- (a) Rs 30,000
- (b) Rs 25,000
- (c) Rs 15,000
- (d) Rs 5,000

Q15. Arrange As Appear In Cash Flow Statement-

- (A) Investing activities
- (B) Operating activities
- (C) Financing Activities
- (D) Cash and cash equivalents

Choose the correct answer from the options given below.

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

Q16. Choose the correct statements -

- (A) The financial statements of a business enterprise include cash flow statements.
- (B) Common size statements and financial ratios are the two tools employed in vertical analysis.
- (C) Financial analysis helps an analyst to arrive at a decision.
- (D) Comparative statements are the form of vertical analysis.

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

Q17. Arrange in correct sequence at a time of admission of partner-

- (A) Adjustments of capital accounts.
- (B) Valuation of goodwill
- (C) Calculation of new profit sharing ratio and sacrificing ratio.

Choose the correct answer from the options given below:

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

Q18. Which is not the Elements of a Chart/graph-

- (a) The plot area
- (b) The data points
- (c) The legend
- (d) Rows and Column

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Q19. In the case of fixed capital method, following two accounts are maintained.

- (a) Capital account and Balance sheet
- (b) Current account and Balance sheet
- (c) Capital account and Current account
- (d) Revaluation and Capital account

Q20. A and B are partners sharing profits in the ratio of 3:2. They admit C for  $\frac{1}{5}$ th share in the future profits which he gets equally from both A and B. The new profit sharing ratio will be:

- (a)  $\frac{A4}{10}$ ,  $\frac{B2}{10}$ ,  $\frac{C4}{10}$
- (b)  $\frac{A5}{10}$ ,  $\frac{B3}{10}$ ,  $\frac{C2}{10}$
- (c)  $\frac{A2}{10}$ ,  $\frac{B3}{10}$ ,  $\frac{C5}{10}$
- (d)  $\frac{A3}{10}$ ,  $\frac{B3}{10}$ ,  $\frac{C4}{10}$

Q21. Arrange in correct sequence-

- (A) Share Allotment
- (B) Share Application
- (C) Share forfeiture
- (D) Share call

Choose the correct answer from the options given below:

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

Q22. Debentures are issued at a discount. In which of the following the difference their nominal value and the issue price is treated as the amount of interest.

- (a) Convertible Debentures
- (b) Perpetual Debentures
- (c) Zero Coupon Rate Debentures
- (d) Specific Coupon Rate Debentures

Q23. When the business of the partnership firm becomes illegal. it leads to dissolution of the firm under \_\_\_\_\_?

- (a) Compulsory dissolution
- (b) Dissolution by the Court
- (c) Dissolution by agreement
- (d) Dissolution on the happening of certain contingencies

Q24. In which of the following the Economic relationship between the partners comes to an end?

- (a) Dissolution of partnership
- (b) Dissolution of partnership firm
- (c) Retirement of a partner
- (d) Death of a partner

Q25. Match List - I with List-II

List - I	List - II
(A) Reserve Capital	(I) That portion of the subscribed capital which has not yet been called up.
(B) Uncalled Capital	(II) It is that part of the issued capital which has been actually subscribed by the public.
(C) Paid up Capital	(III) A company may reserve a portion of its uncalled capital to be called only in the event of winding up of the company.
(D) Subscribed Capital	(IV) It is that portion of the called up capital which has been actually received from the shareholders.

Choose the correct answer from the options given below:

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

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

Q26. Calculate Current Ratio from the following information:

Particulars (Rs.)	Amount (in Rs)
Inventories	60,000
Trade receivables	60,000
Advance tax	4,000
Cash and cash equivalents	50,000
Trade payables	1,30,000
Bank Overdraft	4,000

- (a) 1.30:1  
 (b) 1.25:1  
 (c) 1.35:1  
 (d) 1.11:1

Q27. The following journal entry appears in the books of X Co. Ltd.

Bank A/c	Dr.	4,75,000	
Loss on issue of debenture A/c	Dr.	75,000	
	To 12% Debentures A/c		5,00,000
	To Premium on Redemption of Debenture A/c		50,000

Debenture have been issued at a discount of:

- (a) 15%  
 (b) 10%  
 (c) 5%  
 (d) 4%

Q28. Arrange As Appear in Balance sheet as prescribed in part I of schedule III of the Companies act 2013-

- (A) Non-current liabilities  
 (B) Current liabilities  
 (C) current Asset  
 (D) Shareholders fund

Choose the correct answer from the options given below:

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

Q29. Ravi. one of the partners, provided Rs 1,00,000 loan to the firm. In the absence of partnership deed interest on partner's loan is allowed @ \_\_\_\_\_?

- (a) 6%  
 (b) 6% p.a  
 (c) 5%  
 (d) 5% p.a

Q30. Which statements are correct-

- (A) A company's shares are generally transferable.  
 (B) Shareholders of a company are liable for the acts of the company.  
 (C) The director of a company must be a shareholder.  
 (D) Paid up capital can exceed called up capital.

Choose the correct answer from the options given below:

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

(d) (B), (C) and (D) only

Q31. When debentures are issued at par and redeemable at a premium. the premium payable on redemption is debited to:

- (a) Statement of profit and loss
- (b) Debentures applications and allotment account
- (c) Loss on issue of debentures account
- (d) Capital Account

Q32. Match List-I with List-II

List-I	List-II
(A) Gaining Ratio	(I) An advantage of good name, reputation and wide business connections.
(B) New Profit Sharing Ratio	(II) The ratio in which the continuing partners have acquired the share from the retiring/deceased partner
(C) Sacrificing Ratio	(III) The ratio in which the remaining partners will share future profits after the retirement or death of any partner
(D) Goodwill	(IV) The ratio in which the old partners agree to sacrifice their share of profit in favour of the incoming partner

Choose the correct answer from the options given below:

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

Q33. The sum due to the retiring partner and to the legal representatives/executors (in case of death) includes the following, in addition to credit balance of his capital/current A/C, share of goodwill, gain on revaluation of assets and liabilities:

- (a) Assets of the firm
- (b) Share in accumulated profits and profits up to the date of retirement/death
- (c) Share in accumulated profits and profits up to the date of retirement/death and money contributed by other partners.
- (d) Share in Realisation profits.

Q34. Balance Sheet provides information about financial position of the enterprise:

- (a) At a point of time
- (b) Over a period of time
- (c) For a period of time
- (d) Undefined period

Q35. For distribution of profits made during a year among the partners, the following account is debited:

- (a) Profit and Loss Appropriation A/c
- (b) Partner's Capital A/c
- (c) Goodwill A/c
- (d) Profit and Loss A/c

Q36. Which section of the Partnership Act 1932, defines partnership?

- (a) Section 4
- (b) Section 5
- (c) Section 6
- (d) Section 7

Q37. Which of the following does not result in outflow of cash?

- (A) Depreciation
- (B) Loss on sale of fixed assets

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(C) Purchase of fixed assets

(D) Goodwill written off

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

Q38. Naveen, Suresh and Tarun are partners sharing profits and losses in the ratio of 5:3:2. Suresh retires from the firm and his share was acquired by Naveen and Tarun in the ratio 2:1. The new profit sharing ratio is

(a) 2:1

(b) 7:3

(c) 5:2

(d) 3:2

Q39. The goodwill based on capitalization of average profit method is valued at Rs 1,80,000. If Net Assets are Rs 8,20,000 then find the capitalized value of average profits.

(a) Rs 1,80,000

(b) Rs 8,20,000

(c) Rs 10,00,000

(d) Rs 6,40,000

Q40. "The business of a partnership concern may be carried on by all the partners or any one of them acting for all", indicate which feature of the partnership?

(a) Agreement

(b) Mutual agency

(c) Business

(d) Liability of partners

### Comprehension:

**[41-45] Read the passage carefully and answer the next five questions (value in fraction is to be rounded off to the nearest value)-**

Particulars	Amount (Rs.)
Revenue from operations	8,75,000
Creditors	90,000
Bills receivable	48,000
Bills payable	52,000
Purchases	4,20,000
Trade debtors	59,000

Q41. Average payment period is -

(a) 133 days

(b) 113 days

(c) 123 days

(d) 103 days

Q42. Average Trade payables is-

(a) 90 000

(b) 52,000

(c) 1,42,000

(d) 1,07,000

Q43. Trade Receivable Turnover Ratio is-

(a) 8 times

(b) 8.18 times

- (c) 8.78 times
- (d) 9 times

Q44. Trade payable turnover ratio is-

- (a) 2.86 times
- (b) 2.96 times
- (c) 2.56 times
- (d) 2.16 times

Q45. Average collection period is-

- (a) 50 days
- (b) 45 days
- (c) 51 days
- (d) 123 days

**Comprehension:**

**[46- 50] Read the passage carefully and answer the next 5 questions**

The books of a business showed that the firm's capital employed on December 31, 2024, Rs. 5,00,000 and the profits for the last five years were: 2020-Rs. 40,000; 2021-Rs. 50,000; 2022-Rs. 55,000; 2023- Rs.70,000 and 2024-Rs. 85,000. You are required to find out the value of goodwill based on 2 years purchase of the super profits of the business, given that the normal rate of return is 10%.

Q46. In this case Average profit is -

- (a) Rs. 36,000
- (b) Rs. 60,000
- (c) Rs. 40,000
- (d) Rs. 27000

Q47. In this case, Normal profit is -

- (a) Rs. 50,000
- (b) Rs. 30000
- (c) Rs. 25000
- (d) Rs. 21000

Q48. Super profit is -

- (a) Rs. 9000
- (b) Rs. 8000
- (c) Rs. 10,000
- (d) Rs. 6000

Q49. In case normal profit is Rs 60,000 then what will be the normal rate of return?

- (a) 12%
- (b) 15%
- (c) 10%
- (d) 14%

Q50. Goodwill is -

- (a) Rs. 20000
- (b) Rs. 9000
- (c) Rs. 14000
- (d) Rs. 27000

