

## Accountancy Previous Year Paper

Q1. On the death of a partner, the deceased partner's capital account will not be credited with:-

- (a) His/her share of goodwill
- (b) His/her salary/commission/bonus.
- (c) His/her Interest on Capital
- (d) His/her interest on drawing.

Q2. Calculate interest on drawing if Ram withdrew Rs. 3,000 per month at the beginning of each month for the whole year, if interest on drawing is charged @ 9 % per annum.

- (a) Rs. 1455
- (b) Rs. 1745
- (c) Rs. 1485
- (d) Rs. 1755

Q3. At the time of admission of a new partner, in the case affixed capital method, if the sacrificing partner withdraw their amounts of goodwill (in full or in part), the following journal entry will be recorded :-

(a)

Sacrificing Partners' Capital A/c	Dr.
To Bank A/c	

(b)

Sacrificing Partners' Current A/c	Dr.
To Bank A/c	

(c)

Gaining Partners' Current A/c	Dr.
To Bank A/c	

(d)

Gaining Partners' Capital A/c	Dr.
To Bank A/c	

Q4. At the time of dissolution, if an asset is taken over by a partner, what journal will be recorded in the books of the firm :-

(a)

Partner Capital A/c	Dr.
To Realisation A/c	

(b)

Partner Capital A/c	Dr.
To Assets A/c	

(c)

Bank A/c	Dr.
To Realisation A/c	

(d)

Bank A/c	Dr.
To Assets A/c	

Q5. Ranjan and Anjan were Partners in a firm sharing profits and losses in 3:2. they admitted Sanjan for 1/4 share of profit on 1 Jan 2024 .

Goodwill of the firm will be valued at 3 years purchase of average profit of last 4 years which were

2024: Rs. 80,000

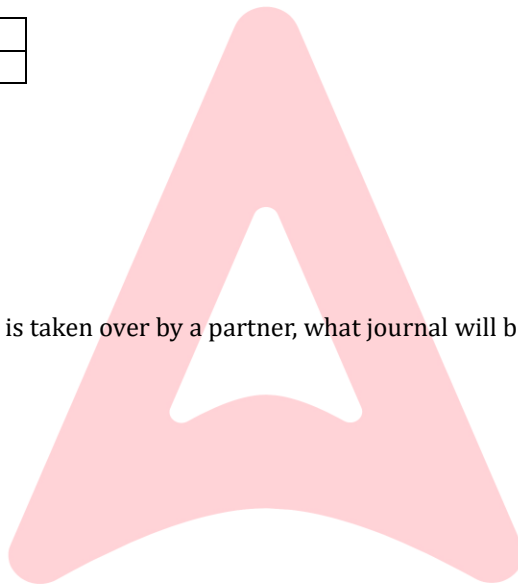
2023: Rs. 1,40,000,

2022: Rs. 2,00,000

2021: Rs. 1,60,000

The goodwill of the reconstituted firm will be

- (a) Rs. 1,45,000
- (b) Rs. 4,33,000
- (c) Rs. 4,35,000
- (d) Rs. 1,35,000



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Q6 The following are the features of Debenture:

- (A) Debentures can be converted into shares if the terms of issue are so provided, and in that case these are known as convertible debentures.
- (B) Debentures are generally secured and carry a fixed or floating charge over the assets of the company.
- (C) The rate of interest on debentures may vary from year to year depending upon the profits of the company.
- (D) The debentures are issued for a specified period and repayable on the expiry of that period.

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

Q7. Match List-I with List-II

List-I	List-II
(A) Companies Limited by Shares	(I) When the company's property' is not sufficient to pay off its debts, the private property of its members can be used for the purpose.
(B) Companies Limited by Guarantee	(II) Restricts the right to transfer its shares
(C) Unlimited Companies	(III) If a member has paid the full amount of the shares, there is no liability on his part whatsoever for the debts of the company.
(D) Private Company	(IV) The liability of its members is limited to the amount they undertake to contribute in the event of the company being wound up.

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)

Q8. Which statement among the following is NOT true about Goodwill?

- (a) Goodwill is the value of the reputation of a firm in respect of the profits expected in future, over and above the normal profits.
- (b) Goodwill is the capitalized value attached to the differential profit capacity of a business.
- (c) Goodwill can exist when the firm does not earn super profits, means any firm that earns normal profits or is incurring losses has goodwill
- (d) Goodwill is an intangible asset.

Q9. Hem and Nem are partners in a firm sharing profits in the ratio of 3:2. Their capitals were Rs. 80,000 and Rs. 50,000 respectively. They admitted Sam on Jan. 1, 2017 as a new partner for 1/5 share in the future profits. Sam brought Rs. 60,000 as his capital. Calculate the value of the goodwill of the firm if Sam brings his share of goodwill in Cash:

- (a) Rs. 82,000
- (b) Rs. 62,000
- (c) Rs. 22,000
- (d) Rs 32,000

Q10. Discount on issue of 8% debentures is shown in the balance sheet as

- (a) Other current assets
- (b) Short term loans and advances.
- (c) Long term loans and advances
- (d) Other current liabilities.

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Q11. 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 credited with amount for Goodwill share.

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

Q12. Vijay and Manohar share profits and losses in the ratio of 2:1. They admit Prakash as a partner with  $\frac{1}{4}$  share in profits with a guarantee that his share of profit will be at least Rs. 50,000. The net profit of the firm for the year ending March 31, 2015, was Rs. 1,60,000. Calculate the amount of profit Vijay will get:

- (a) Rs. 60,333
- (b) Rs. 73,333
- (c) Rs.50,300
- (d) Rs. 80,333

Q13. Which among the following is NOT true for New Profit Sharing Ratio:

- (a) How much of the share of profit for the new partner and how he will acquire it from the existing partners is decided mutually between the old partners and the new partner.
- (b) If nothing is specified as to how the new partner acquires his share from the old partners, it may be assumed that he gets it from them in their profit sharing ratio.
- (c) The new partner acquires his share from the old partners only according to their respective contribution, no any other way can be possible for profit sharing at any condition.
- (d) On admission of a new partner, the profit sharing ratio among the old partners will change, keeping in view their respective contribution to the profit sharing ratio of the incoming partner.

Q14. The dissolution of partnership may take place in any of the following ways except:

- (a) Change in existing profit sharing ratio
- (b) Admission of a new partner
- (c) Death of a partner
- (d) Expansion of the business

Q15. Arrange the following in order with respect to the issue of shares

- (A) Application received
- (B) Issue of prospectus
- (C) Forfeiture of shares
- (D) Allotment of Shares
- (E) Reissue of forfeited shares

Choose the correct answer from the options given below:

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

Q16. In the case of \_\_\_\_\_ the difference between the nominal value and the issue price is treated as the amount of interest related to the duration of the debentures.

- (a) Zero Coupon Debenture
- (b) Secured Debentures
- (c) Redeemable Debentures
- (d) Non-convertible Debentures

Q17. Which among the following item does not appear on the balance sheet of a company?

- (a) Reserve and Surplus
- (b) Share capital
- (c) Contingent Liabilities
- (d) Fixed assets

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Q18. Match list-II with List-I

List-I	List-II
(A) Bank (fresh capital introduced)	(I) Debit side of Partner's Current Account
(B) Interest on drawings	(II) Debit side of Partner's Capital Account
(C) Bank (permanent withdrawal of capital)	(III) Credit side of Partner's Current Account
(D) Commission	(IV) Credit side of Partner's Capital Account

Choose the correct answer from the options given below:

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

Q19. Which market conditions enable firms to earn higher profits ?

- (a) Imperfect competition  
 (b) Oligopoly  
 (c) Perfect competition  
 (d) Monopoly

Q20. On retirement/death of a partner, the retiring/deceased partner's capital account will be credited with:

- (a) His/her share of goodwill.  
 (b) Goodwill of the firm.  
 (c) Shares of goodwill of remaining partners.  
 (d) Goodwill of the another firm.

Q21. Das and Sinha are partners in a firm sharing profits in 4:1 ratio. They admitted Pal as a new partner for 1/4 share in the profits, which he acquired wholly from Das. Determine the new profit sharing ratio among Das, Sinha and Pal.

- (a) 11:5:4  
 (b) 11:4:5  
 (c) 5:4:11  
 (d) 4:11:5

Q22. Dissolution of a partnership firm may be ordered by the court on the following grounds:

- (A) when a partner becomes insane.  
 (B) when a partner becomes permanently incapable of performing his duties as partner.  
 (C) when a partner acts in good faith  
 (D) when it is regarded just and equitable by the court.

Choose the correct answer from the options given below:

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

Q23. The Profit and Loss Appropriation Account is merely an extension of the Profit and Loss Account of the firm, which, among the following, is not shown in the Profit and Loss Appropriation Account?

- (a) All adjustments in respect of partner's salary.  
 (b) All adjustments in respect of payment to Vendor.  
 (c) All adjustments in respect of interest on capital  
 (d) All adjustments in respect of interest on drawings

Q.24. What will be the journal entries when a call is due and the amount of the same is received?

(a)

1.	For Call Amount Due	
	Share Call A/c	Dr.
	To Share Call A/c	

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	(Call money due on __ Shares @ Rs. __ per share)	
2.	For Receipt of Call Amount	
	Bank A/c	Dr.
	To Share Capital A/c	
	(Call money received)	

(b)

1.	For Call Amount Due	
	Share Call A/c	Dr.
	To Share Capital A/c	
	(Call money due on __ Shares @ Rs. __ per share)	
2.	For Receipt of Call Amount	
	Bank A/c	Dr.
	To Share Call A/c	
	(Call money received)	

(c)

1.	For Call Amount Due	
	Bank A/c	Dr.
	To Share Capital A/c	
	(Call money due on __ Shares @ Rs. __ per share)	
2.	For Receipt of Call Amount	
	Share Call A/c	Dr.
	To Share Call A/c	
	(Call money received)	

(d)

1.	For Call Amount Due	
	Share Capital A/c	Dr.
	To Share Call A/c	
	(Call money received)	
2.	For Receipt of Call Amount	
	Bank A/c	Dr.
	To Share Call A/c	
	(Call money due on __ Shares @ Rs. __ per share)	

Q25. Which statement is not false, in respect of the dissolution of a partnership firm :-

- A partner took an un-recorded asset, it will be shown the credit side of realization account.
- A partner takes an un-recorded asset, it will be shown the credit side of partners capital account
- A partner took a recorded liability, it will be shown the credit side of realization account
- A partner took an un-recorded liability, it will be shown the credit side of realization account.

Q26. Which of the following is the feature of Fixed Capital Method in Partnership Accounts-

- Each partner has one account.
- The capital accounts always show a credit balance.
- The balance of the capital account fluctuates from year to year.
- In the absence of any instruction, the capital account should be prepared by this method.

Q27. Which among the following is NOT true?

- Valid partnership can be formulated even without a written agreement between the partners.
- Each partner carrying on the business is the principal as well as the agent for all the other partners.
- The agreement may carry or not on any business. Mere co-ownership of a property can amount to partnership.
- Persons who have entered into partnership with one another are individually called 'partners' and collectively called 'firm'.

Q28. The clauses of a partnership deed can be altered with the consent of

- Government Authority'

- (b) Registrar of Firms
- (c) All the partners
- (d) State Government

Q29. Arrange the following in correct order in which assets of the firm can be used in the 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)

Q30. When the directors opt to make a proportionate allotment to all applicants, the excess application money received is normally adjusted towards the amount due on allotment. In case, the excess application money received is more than the amount due on allotment of shares, such excess amount may either be:

- (a) Adjusted towards the amount due on the allotment of shares allotted
- (b) Refunded or credited to calls in advance.
- (c) Refunded money in full
- (d) Refunded or credited to Calls in Arrears

Q31. The following are the features of the Dissolution of Partnership:

- (A) Assets and liabilities are revalued, and a new balance sheet is drawn.
- (B) Economic relationships between partners continue, though in a changed form.
- (C) The business is not terminated.
- (D) The books of account are closed.

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

Q32. At the time of admission of a new partner, in case there is no workmen's compensation claim, the total amount of workmen's compensation fund will be :-

- (a) Credited to old partners' capital account in their old profit sharing ratio.
- (b) Debited to old partners' capital account in their old profit sharing ratio.
- (c) Credited to old partners' capital account in their new profit sharing ratio.
- (d) Debited to old partners' capital account in their new profit sharing ratio.

Q33. Which of the following is not the feature of partnership -

- (a) 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 only.
- (c) The business of a partnership concern may be carried on by all the partners or any of them acting for all.
- (d) The business profits and losses are shared by all the partners as per profit sharing ratio

Q34. Neha contributed Rs. 30,000 and Solani Rs. 90,000 as capital. What will be Saloni's share in profits if the partnership agreement is silent?

- (a) One third of total profit.
- (b) One fourth of total profit.
- (c) Half of total profit.
- (d) Two third of total profit.

Q35. Identify the type of Share Capital, which is clearly shown in Notes to Accounts, but not included in the total of Notes to Account under SHARE CAPITAL head

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- (a) Subscribed and fully paid up Share Capital  
 (b) Subscribed but not fully paid up Share Capital  
 (c) Issued Share Capital and Un-issued Share Capital  
 (d) Registered Share Capital and Issued Share Capital

Q36. Match List-I with List-II

List-I	List-II
(A) Calls in Arrears	(I) This is the case when applications for more shares of a company are received than the number offered to the public for subscription.
(B) Calls in Advance	(II) This 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 due that shareholders fail to pay on allotment or on any of the calls.
(D) Under Subscription	(IV) The amount sometimes received from the shareholders as a part or the whole of the amount of the calls not yet made.

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

Q37. Which of the following account / statement is prepared to distribute the profit or loss among partners

- (a) Profit and Loss Appropriation A/c  
 (b) Profit and Loss Adjustment A/c  
 (c) Profit and Loss A/c  
 (d) Balance Sheet

Q38. At the time of dissolution of a firm, the Bank Loan was Rs. 60,000 which was paid by Bhuvan [a partner] along with one-year interest at 6 %, which journal entry will be passed in the books of the firm :-

(a)

Realisation A/c	Dr.	63,600	—
To Bhuvan's Capital A/c		—	63,600

(b)

Bank Loan A/c	Dr.	63,600	—
To Bank A/c		—	63,600

(c)

Realisation A/c	Dr.	60,000	—
To Bhuvan's Capital A/c		—	60,000

(d)

Realisation A/c	Dr.	60,000	—
Interest on Bank Loan A/c	Dr.	3,600	
To Bhuvan's Capital A/c		—	63,600

Q39. Rohan, Bharti and Leela are partners. On the retirement of Rohan, the goodwill already appears in the balance sheet at Rs. 24,000. The goodwill will be written-off:

- (a) By debiting all partners' capital accounts in their old profit-sharing ratio.  
 (b) By debiting remaining partners' capital accounts in their new profit sharing ratio.  
 (c) By debiting retiring partners' capital accounts from his share of goodwill.  
 (d) By debiting the retiring partners' current account from his share of goodwill.

Q40. There must be an interval of how many months between the making of two calls unless otherwise provided by the articles of association of the company.

- (a) 15 days  
 (b) Atleast three months  
 (c) Atleast two months

(d) Atleast one month

Q41. At the time of the Dissolution of a Partnership Firm, which statement is not false :-

- (a) The amount of Provision for Debtors is transferred to the Credit Side of the Realisation Account.
- (b) The amount of Provision for Debtors is transferred to the Debit Side of the Realisation Account.
- (c) The amount of Provision for Debtors is transferred to the Credit Side of the Bank Account.
- (d) The amount of Provision for Debtors is transferred to the Credit Side of the Capital Account.

Q42. The profit on the reissue of forfeited shares is transferred to

- (a) General Reserve
- (b) Capital redemption reserve
- (c) Capital reserve
- (d) Preference shares

Q43. At the time of retirement of a partner, the difference between the Old Profit Sharing Ratio and the New Profit Sharing Ratio is a negative outcome for a remaining partner. It indicates that :-

- (a) remaining partner is gaining.
- (b) remaining partner is sacrificing.
- (c) outgoing partner is sacrificing.
- (d) outgoing partner is gaining.

Q44. The balance of the share forfeiture account is shown in the balance sheet under the item :

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

Q45. 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

### Analysis of Financial Statements

Q46. Compute Earning per share from following information

Net profit after tax but before dividend	1,75,000
Equity shares of Rs. 10 each	Rs. 7,00,000
Dividend declared @15%	
Market price of a share	Rs. 13

- (a) Rs. 4.3
- (b) Rs. 5.2
- (c) Rs. 3
- (d) Rs. 2.50

Q47. Match List-I with List-II

List-I	List-II
(A) Measure of liquidity	(I) Return on capital employed
(B) Measure of earning capacity	(II) Inventory turnover ratio
(C) Measure of activity of firm's inventory	(III) Profitability ratio
(D) Measure of Productive efficiency of funds	(IV) Current ratio

Choose the correct answer from the options given below:

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

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

Q48. To assess the long term solvency of the business, which of the following ratios are needed?

- (A) Interest coverage ratio  
 (B) Proprietary ratio  
 (C) Acid test ratio  
 (D) Debt to capital employed ratio

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

Q49. Calculate Gross profit ratio from following info

Revenue from operations	3,40,000
Cost of revenue from operations	1,20,000

- (a) 27.5%  
 (b) 64.71%  
 (c) 18.3%  
 (d) 15.55%

Q50. The current ratio is 2:1

The impact of goods purchased on credit will

- (a) Increase the ratio  
 (b) Decrease the ratio  
 (c) No change in ratio  
 (d) Incomplete information

### Computerized Accounting Systems

Q51. What is the difference between TODAY() and NOW() Function?

- (a) TODAY() returns current Time while NOW() returns current day  
 (b) TODAY() returns today's day while NOW() returns current time only  
 (c) TODAY() returns current month while NOW() returns current date  
 (d) TODAY() returns today's date while NOW() returns current date and time

Q52. How is the Net Salary (NS) of an employee determined?

- (a)  $NS = BPE + PF + TDS$   
 (b)  $NS = TE - TD$   
 (c)  $NS = TE + TD$   
 (d)  $NS = BPE - Allowances$

Q53. What is the formula for calculating Basic Pay Earned (BPE)?

- (a)  $BPE = BP \times DA$   
 (b)  $BPE = BP \times NODM / NOEDP$   
 (c)  $BPE = BP \times NOEDP / NODM$   
 (d)  $BPE = BP + DA + HRA$

Q54. Which Excel function is used to calculate depreciation under Straight Line Method (SLM)?

- (a) DDB  
 (b) DB  
 (c) SLN  
 (d) VLOOKUP

Q55. What kind of data is best displayed with a bar chart?

- (a) Continuous data
- (b) Absolute value of data
- (c) Proportions
- (d) Random textual data

