

Accountancy Previous Year Paper

Q1. A new partner can be admitted:

- (a) By the consent of the majority of partners.
- (b) By draw of lot
- (c) By the consent of all partners.
- (d) At the desire of any one partner.

Q2. Shares can be forfeited:

- (a) for non-payment of call money
- (b) for failure to attend meetings
- (c) for failure to repay the loan to the bank
- (d) for which shares are pledged as a security

Q3. The journal entries are as under

Incoming partners' current A/C.

To Sacrificing partners capital A/C.

What statement among the following is TRUE for the above entry?

- (a) When the new Partner brings goodwill in cash.
- (b) When the new partner does not bring goodwill in cash, partly or fully and goodwill does not exist in the book.
- (c) When the new partner does not bring goodwill in cash, partly or fully, and the value of goodwill appears in the books is not written off.
- (d) When the new partner does not bring goodwill in cash, partly or fully, and goodwill exists in the books, at new value of goodwill.

Q4 In the absence of any information regarding the acquisition of a share in profit of the retiring/deceased partner by the remaining partners, it is assumed that they will acquire his/her share:

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

Q5. Match List-I with List-II

List-I (Events)	List-II (Result.)
(A) Termination of business.	(I) Not possible in dissolution of partnership.
(B) Continuation of Business	(II) Not possible in the dissolution of a firm.
(C) Intervention of court.	(III) Dissolution of firm
(D) Continuation of books of accounts.	(IV) Dissolution of partnership.

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)

Q6. Identify which of the following will be shown in Notes to Accounts under SHARE CAPITAL head:-

- (a) Authorised Share Capital and Un-issued Share Capital.
- (b) Un-issued Share Capital and Un-called up Share Capital.
- (c) Authorised Share Capital and Un-called up Share Capital.
- (d) Authorized Share Capital and Issued Share Capital.

Q7. When debentures are issued at par and are redeemable at a premium, the loss on such issue is debited to:

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

Q8. Which among the following is Not the method of valuation of goodwill:

- (a) Capitalisation Method
- (b) Super Profit Method
- (c) Normal Profit Method
- (d) Average Profit Method

Q9. After transferring liabilities like creditors and bills payables in the Realization Account, in the absence of any information regarding their payment, such liabilities are treated as:

- (a) Never paid
- (b) Fully paid
- (c) Partly paid
- (d) Half paid

Q10. When a partnership firm is being dissolved, the private property of any partner shall be applied first, in payment of _____ and the surplus, if any, may be utilised for payment of _____. in case the firm's liabilities exceed the firm's assets.

- (a) his private debt, the firm's debts
- (b) the firm's debts, his private debt
- (c) his private debt, other partners' private debts
- (d) the firm's debts, other partners' private debt,

Q11. Which of the following statements are true with reference to a company?

- (A) The directors of the company are the owners of the company.
- (B) A company is an artificial person.
- (C) A company has its common seal.
- (D) The liability of the members of the company is limited to the extent of shares held by them

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

Q12. Amount of discount allowed on the reissue of forfeited shares cannot exceed the amount that has:-

- (a) not been called-up on forfeited shares at the time of initial issue.
- (b) been called-up on forfeited shares at the time of initial issue.
- (c) not been received on forfeited shares at the time of initial issue.
- (d) been received on forfeited shares at the time of initial issue.

Q13. Reserve and surplus are shown under the _____ in the balance sheet of a company.

- (a) Non-current Liabilities
- (b) Shareholders' Funds
- (c) Current assets
- (d) Sundry Assets

Q14. The following are the features of Debentures:

- (A) The payment of interest is a charge on profits and is to be paid even if there is no profit.
- (B) The debentures, which are issued for a specified period are repayable on the expiry of that period.
- (C) If the debentures are generally secured they carry a fixed or floating charge over the assets of the company.
- (D) Debentures can not be converted into shares in any case.

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

Q15. Interest on calls in arrears is charged according to "Table F" at:

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

Q21. Partner's current accounts are transferred to respective Partners' _____.

- (a) Loan Accounts
(b) Capital Accounts
(c) Bank Account
(d) Realisation Account

Q22. From an accounting point of view, arrange the following share capital of the company in the correct sequence:

- (A) Subscribed Capital
(B) Authorized Capital
(C) Called up Capital
(D) Issued Capital

Choose the correct answer from the options given below:

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

Q23. Match List-I with List-II

List-I	List-II
(Events)	(Result.)
(A) Profit share	(I) Gaining ratio.
(B) Admission of Partners	(II) Different concept
(C) Retirement of a partner.	(III) Equally among partners
(D) Dissolution of firm and partnership.	(IV) Sacrifice ratio.

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)

Q24. In case of dissolution of a firm, the firm ceases to conduct business and has to settle its accounts. The assets of the firm, including any sum contributed by the partners to make up deficiencies of capital, shall be applied in the following manner and order:

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

Choose the correct answer from the options given below:

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

Q25. On dissolution of a partnership firm, the bills payable is transferred to:

- (a) Cash Account
(b) Realisation account
(c) Bank account
(d) Partners' capital account

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Q26. Match List-I with List-II

List-I	List-II
(A) For the amount of calls received in advance	(I) Calls in Advance A/c Dr. To Particular Call A/c
(B) Interest on Calls in Advance is due	(II) Sundry Shareholder's A/c Dr. To Bank A/c
(C) The amount of 'Calls in Advance' is adjusted	(III) Bank A/c Dr. To Calls in Advance A/c
(D) Interest on Calls in Advance, For Interest Paid	(IV) Interest on Calls in Advance A/c Dr. To Sundry Shareholder's A/c

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)

Q27. Rajinder and Surinder are partners in a firm sharing profits in the ratio of 4:1. On April 15, 2017, they admitted Narender as a new partner. On that date, there was a balance of Rs. 20,000 in general reserve and a debit balance of Rs. 10,000 in the profit and loss account of the firm. Which among the following statements is correct for transferring profit and loss account?

- (a) Rs 16,000 will be credited to Rajinder's capital A/C.
 (b) Rs. 2,000 will be debited to Surender's Capital A/c
 (c) Rs. 8,000 will be credited to Rajinder's Capital A/c
 (d) Rs. 4,000 will be credited to Surender's capital A/c

Q28. Issue of 8% debentures is shown under which sub-head in the balance sheet of a company:

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

Q29. R Ltd purchased a building from X Infra for Rs 6,00,000 and the payment is to be made by the issue of shares for Rs 100 each at a premium of 20%. Calculate the number of shares to be issued.

- (a) 5000 shares
 (b) 6000 shares
 (c) 10000 shares
 (d) 600000 shares

Q30. Match List-I with List-II

List-I	List-II
(A) Calls in Areams	(I) Shares are taken back by the company as shareholders failed to pay one or more installments, viz. allotment money and/or call money.
(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) Forfeiture of Shares	(III) This is the amount which any shareholder fails to pay on allotment or on any of the calls.
(D) Under Subscription	(IV) Table 'F' of the Companies Act provides for the payment of interest on this call at a rate not exceeding 12% per annum.

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)

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Q.31 In the case of a re-constitution of a partnership firm, if the value of decrease in investment exceeds the Investment Fluctuation Fund, the:-

- (a) Excess amount of loss will be debited to Revaluation Account.
- (b) Excess amount of loss will be credited to Revaluation Account.
- (c) Excess amount of gain will be debited to Revaluation Account.
- (d) Excess amount of gain will be credited to Revaluation Account.

Q.32 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 of 2:1. Calculate the new share of profit :

- (a) 3:7
- (b) 5:7
- (c) 7:3
- (d) 9:5

Q.33 The profits of the firm for the five years are as follows:

Year	Profit (Rs.)
2012-13	20,000
2013-14	24,000
2014-15	30,000
2015-16	25,000
2016-17	18,000

Calculate the value of goodwill on the basis of three years' purchase of weighted average profits based on weights of the last five years as 1,2,3,4 and 5 respectively.

- (a) Rs. 79,600
- (b) Rs. 60,500
- (c) Rs. 80,600
- (d) Rs. 69,600

Q34. Match List-I with List-II

List-I	List-II
(A) Existing Goodwill.	(I) no entry passed.
(B) Goodwill premium	(II) Calculated on the basis of capital of partners.
(C) Goodwill paid privately.	(III) Written off.
(D) Hidden goodwill	(IV) credited to sacrificing partner.

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)

Q35. Which among the following 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 is paid to a person who produces the interest coupon attached to such debentures?

- (a) Specific Coupon Rate Debentures
- (b) Secured Debentures
- (c) Bearer Debentures
- (d) Redeemable Debentures

Q36. Identify the true statement in respect of Reserve Capital:-

- (a) It is a portion of uncalled share capital and can be called only in the event of winding up of a company.
- (b) It is a portion of uncalled share capital and can be called at any time during the lifetime of a company.
- (c) It is a portion of un-paid share capital and can be called only in the event of winding up of a company.
- (d) It is a portion of un-subscribed share capital and can be called at any time during the lifetime of a company.

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Q37. Arrange the following steps which involve the Super Profits Method of valuation of goodwill in the correct sequence:

- (A) Calculate the average profit,
- (B) Calculate the normal profit on the firm's capital on the basis of the normal rate of return,
- (C) Calculate goodwill by multiplying the super profits by the given number of years' purchase
- (D) Calculate the super profits by deducting normal profit from the average profits,

Choose the correct answer from the options given below:

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

Q38. Steps involved in accounting treatment at the time of death/retirement of a partner -

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

Choose the correct answer from the options given below.

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

Q39. Unrecorded assets when taken over by a partner are shown in:

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

Q40. 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) when the business of the firm is earning a large amount of profit
- (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

Q41. Match List-I with List-II

List-I	List-II
(A) Authorized capital.	(I) Mentioned in Prospectus.
(B) Issued capital.	(II) Mentioned In Memorandum of Association.
(C) Subscribed capital.	(III) called up capital-calls in arrears.
(D) Paid up capital.	(IV) Capital for which application is received.

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

Q42. Arrange the following steps in the procedure of share issues in the correct sequence:

- (A) Receipt of Applications

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- (B) Allotment of Shares
 (C) Issue of Prospectus
 (D) Listing on the stock exchange

Choose the correct answer from the options given below:

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

Q43 Nominal share capital is:

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

Q44. Romesh took over stock at Rs. 8,100, which is 10% less than its book value. The book value of the stock was _____

- (a) Rs. 8910.
 (b) Rs. 9,200.
 (c) Rs. 9,000.
 (d) Rs. 8,000.

Q45. Naveen and Ghanshyam are partners in a firm sharing profits in the ratio of 3:2. They admitted Daniel as a new partner for 1/4 share. The new profit sharing ratio between Naveen and Ghanshyam will be 2:1. Calculate the New profit sharing ratio of Naveen, Ghanshyam and Daniel:

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

Analysis of Financial Statements

Q46. Match List-I with List-II

List-I	List-II
(A) Profitability Ratios	(I) This refers to the ratios that are calculated for measuring the efficiency of operations of a business based on effective utilization of resources.
(B) Activity Ratios	(II) The ability of a business to pay the amount due to stakeholders as and when it is due.
(C) Liquidity Ratios	(III) The ability to meet its contractual obligations towards stakeholders, particularly towards external stakeholders.
(D) Solvency Ratios	(IV) It refers to the analysis of profits in relation to revenue from operations or funds (or assets) employed in the business.

Choose the correct answer from the options given below.

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

Q47 Arrange the following in correct sequence of appearance in a cash flow statement

- (A) Cash and cash equivalents at the end
 (B) Cash flows from operating activities
 (C) Cash flows from investing activities
 (D) Cash flows from financing activities

Choose the correct answer from the options given below:

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

Q48. From the following information, calculate net cash inflow or net cash outflow from financing activities:

	April 1, 2016	March 31, 2017
Long-term Loans	Rs. 2,00,000	Rs. 2,50,000

During the year, the company repaid a loan of Rs. 1,00,000.

- (a) 50,000 Inflow
 (b) 150,000 Inflow
 (c) 250,000 Outflow
 (d) 100,000 Outflow

Q49. Match List-I with List-II

List-I	List-II
(A) Cash Inflows & Operating Activities	(I) Proceeds from issue of preference or equity shares
(B) Cash Inflows & Financing Activities	(II) Receipt from royalties, fees, commission and other revenues
(C) Cash Inflows & Investing Activities	(III) Payment of Taxes
(D) Cash Outflows & Operating Activities	(IV) Proceeds from disposal of Machinery

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)

Q50. Which transaction among the following is NOT disclosed in the cash flow statement due to the non-cash nature of the transaction.

- (a) Disposal of Equipment and non-current investments
 (b) Assets acquired by issue of shares
 (c) Redemption of preference shares
 (d) Sale of property

Computerized Accounting Systems

Q51. The error ##### occur S When?

- (A) Column is not wide enough
 (B) Negative date
 (C) Negative time
 (D) Row is not wide enough

Choose the correct answer from the options given below:

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

Q52. Array formulas are enclosed between _____.

- (a) Square Brackets []
 (b) Braces {}
 (c) Inverted Commas''
 (d) Double Inverted Commas'' ''

Q53. What would be the syntax for "IF" Function to get a result of Pass or Fail if Passing criteria is 40% and above. Further percentage of marks is available in Cell A1?

- (a) =IF (A1>=40%, "PASS", "FAIL"
- (b) =IF (A1<40, "PASS", "FAIL"
- (c) =IF (A1>=40, "FAIL", "PASS"
- (d) =IF (A1=40, "PASS", "FAIL"

Q54. PV function returns the present value of an investment. The syntax of the function is PV (rate, nper, pmt, fv, type). What does NPER stands for?

- (a) Number of payment periods in an annuity
- (b) Interest rate per period
- (c) Payment amount made each period
- (d) First period in the calculation

Q55. What does OLE stands for?

- (a) Object Liability and Embedding
- (b) Object Linking and Embedding
- (c) Objective Linking and Embedding
- (d) Object Linking and Expenses

