



INDIAN SCHOOL AL WADI AL KABIR

PRACTICE TEST- TERM 1

SUB: ACCOUNTANCY (055)

DATE: 09/11/2021

TIME: 90 Minutes

MARKS:40

GENERAL INSTRUCTIONS:

1. This question paper comprises three **PARTS – I, II and III**. There are 69 questions in the question paper.

2. **Part - I** -is compulsory for all candidates.

3. **Part - II** Analysis of Financial Statement and **Part -III** Computerized Accounting. You have to attempt only one of the given **OPTIONS**.

4. There is an internal choice provided in each Sections.

I. **Part-I**, contains three Sections -A, B and C. **Section A** has questions from 1 to 18 and **Section B** has questions from 19 to 36, you have to attempt any 15 questions each in both the sections.

II. **Part I, Section C** has questions from 37 to 41. You have to attempt any four questions.

III. **Part II**, contains two Sections – A and B. **Section A** has questions from 42 to 48, you have to attempt any five questions and **Section B** has questions from 49 to 55, you have to attempt any six questions.

IV. **Part III**, contains two Sections – A and B. **Section A** has questions from 49 to 62, you have to attempt any five questions and **Section B** has questions from 63 to 69, you have to attempt any six questions.

5. All questions carry **equal marks**. There is **no negative marking**.

6. Specific Instructions related to each Part and subdivisions (Section) is mentioned clearly before the questions. Candidates should read them thoroughly and attempt accordingly.

Q. No.	<p style="text-align: center;">PART- I SECTION – A From Question Number 1-18 attempt any 15 questions</p>
1.	<p>Which one of the following is not an essential feature of a partnership?</p> <p>A) There must be an agreement B) There must be a business C) The business must be carried on for profits D) The business must be carried on by all the partners</p>
2.	<p>A company forfeited 100 Equity Shares of Rs.10 each, issued at a premium of 20%, for the non-payment of final call of Rs.5 including premium. Calculate the amount with which Securities Premium Reserve Account will be debited?</p> <p>A) Rs.200 B) Rs.500 C) Rs.1000 D) Rs.1500</p>
3.	<p>A Company issued 50,000 shares of Rs.20 each at 5% premium. Rs.10 were payable on application and balance on allotment. What will be the allotment amount?</p> <p>A) Rs.5,00,000 B) Rs.4,75,000 C) Rs.5,50,000 D) Rs.5,25,000</p>
4.	<p>A company issued 10,000 shares of Rs.10 each at par for which Application were received for 15,000 shares. Amount called up: - On application - Rs.4, on allotment - Rs.3 and Final call remaining Amount. Shares were allotted on pro-rata basis to the applicants of 13,000 shares. Excess money was adjusted on allotment. The Bank A/c will be credited with Rs. _____.</p> <p>A) Rs. 12,000 B) Rs. 8,000 C) Rs. 20,000 D) Rs. 60,000</p>
5.	<p>What will be the correct sequence of events?</p> <p>(i) Forfeiture of shares. (ii) Calls in Arrears. (iii) Re-issue of shares. (iv) Amount transferred to capital reserve.</p> <p>Options: A) (i), (iv), (ii), (iii) B) (ii), (iv), (i), (iii) C) (ii), (i), (iii), (iv) D) (iii), (iv), (i) (ii)</p>

6.	<p>A, B and C are partners in a firm sharing profits in the ratio of 3:4:1. They decided to share profits equally w.e.f. 1st April, 2020. On that date the Profit and Loss Account showed the credit balance of Rs. 96,000. Instead of closing the Profit and Loss Account, it was decided to record an adjustment entry reflecting the change in profit sharing ratio. In the journal entry:</p> <p>A) Dr. A by 4,000; Dr. B by 16,000; Cr. C by 20,000 B) Cr. A by 4,000; Cr. B by 16,000; Dr. C by 20,000 C) Cr. A by 16,000; Cr. B by 4,000; Dr. C by 20,000 D) Dr. A by 16,000; Dr. B by 4,000; Cr. C by 20,000</p>
7.	<p>If a fixed amount is withdrawn by a partner in the middle of every month, interest on the total amount is charged for ____ months.</p> <p>A) 6 B) 6.5 C) 5.5 D) 12</p>
8.	<p>When is the Partnership Act enforced?</p> <p>A) When there is no partnership deed B) Where there is a partnership deed but there are differences of opinion between the partners C) When capital contribution by the partners varies D) When the partner's salary and interest on capital are not incorporated in the partnership deed</p>
9.	<p>A and B are partners sharing profits and losses equally. They admitted C as a partner with an equal share giving him a guarantee of minimum ₹50,000 profit p.a. The profit for the year after C's admission was ₹1,20,000. What will be the net amount that will be credited to A's Capital A/c?</p> <p>A) ₹50,000 B) ₹40,000 C) ₹35,000 D) ₹80,000</p>
10.	<p>A Firm 's Balance Sheet had a workmen Compensation Reserve of Rs.30,000. Ram, a new Partner is admitted. The Liability against Workmen Compensation Reserve was determined to be Rs.18000. What amount of workmen Compensation Reserve to be distributed among old partners is?</p> <p>A) Rs. 12,000 B) Rs. 30,000 C) Rs. 18000 D) None of these</p>
11.	<p>X, Y, and Z are partners in a firm. At the time of division of profit for the year, there was dispute between the partners. Profit before interest on partner's loan was ₹6,000 and Y wants interest @24% p.a. on his loan of ₹80,000. There was no agreement on this point. Calculate the amount payable to X, Y, and Z respectively.</p> <p>A) ₹2,000 to each partner. B) Loss of ₹4,400 for X and Z; Y will take ₹14,800. C) ₹400 for X, ₹5,200 for Y and ₹400 for Z. D) None of the above.</p>

12.	Profit or Loss on revaluation of assets and reassessment of liabilities is transferred to Partners' Capital Accounts in their _____ A) Capital Ratio B) Equal Ratio C) Old Profit – sharing Ratio. D) None of these
13.	The average capital employed of a firm is Rs. 4,00,000 and the normal rate of return is 15%. The average profit of the firm is 80,000 per annum. If the remuneration of the partners is estimated to be 10,000 per annum, then on the basis of two years purchase of super-profit, the value of the Goodwill will be: A) Rs. 10,000 B) Rs. 20,000 C) Rs. 40,000 D) Rs. 80,000
14.	A Forfeited Share can _____ A) Not be re-issued at discount B) Re-issued at a maximum discount of 10% C) Be re-issued at a maximum discount equal to the amount credited to shares forfeited a/c. D) None of these.
15.	Mithas Limited was formed with share capital of Rs. 50,00,000 divided into 50,000 shares of Rs.100 each. 9,000 shares were issued to the vendor as fully paid for purchase consideration of a furniture acquired. 30,000 shares were allotted in payment of cash on which Rs.70 per share was called and paid. State the amount of subscribed capital: A) Rs. 50,00,000 B) Rs. 30,50,000 C) Rs. 30,00,000 D) Rs. 20,00,000
16.	A Ltd purchased the running business of K Ltd consisting total assets of Rs. 10,00,000 liabilities of Rs. 2,00,000. A Ltd paid Rs. 2,00,000 immediately in cash and balance by issuing 7,000 shares of Rs. 100 each at a premium of Rs. 20 per share. The goodwill A/c will be debited by Rs. _____. A) Rs. 2,30,000 B) Rs. 2,50,000 C) Rs. 2,60,000 D) Rs. 2,40,000
17.	A and B are partners sharing profits and losses in the ratio of 3: 2. C is admitted into partnership for 1/5th share in profit. He pays Rs.1,00,000 as goodwill. Goodwill will be credited to: A) Only A Rs.1,00,000 B) Only B Rs.1,00,000 C) A Rs.60,000; B Rs.40,000 D) A Rs.75,000; B Rs.25,000
18.	A and B are partners sharing profits and losses in the ratio of 5: 4. C is admitted for 1/4 th share. A and B decide to share equally in future. Sacrificing ratio will be: -

	<p>A) 5:4 B) 2:7 C) 13:5 D) 1:1</p>
	<p>Section – B Instructions: From Question Number 19-36 attempt any 15 questions</p>
19.	<p>A and B are partners sharing profit in the ratio 2:3. Their balance sheet shows machinery at Rs.2,00,000; Stock at Rs. 80,000; and debtors at Rs. 1,60,000. C was admitted and new profit-sharing Ratio is agreed at 6:9:5. Machinery is revalued at Rs 1,40,000 and a provision is made for doubtful debts @5%. A's Share in Loss on revaluation amount to Rs.20,000. Revalued value of stock will be: -</p> <p>A) Rs.62,000 B) Rs.1,00,000 C) Rs. 60,000 D) Rs.98,000</p>
20.	<p>X and Y are partners sharing profits in the ratio of 1:1. They admit Z for 1/5th share who contributed Rs. 25,000 for his share of goodwill. The total value of goodwill of the firm will be</p> <p>A) Rs. 2,50,000 B) Rs. 50,000 C) Rs. 1,00,000 D) Rs. 1,25,000</p>
21.	<p>In case of admission of a partner, the entry for unrecorded investment is:</p> <p>A) Investment a/c Dr. To Old partners' capital a/c</p> <p>B) Revaluation a/c Dr. To Investment a/c</p> <p>C) Investment a/c Dr. To Revaluation a/c</p> <p>D) None of these</p>
22.	<p>Assertion (A): In absence of a deed, a sleeping partner who contributed 75% of total capital would get 75% of the profit earned. Reason (R): A sleeping partner, in absence of a deed, gets equal share of profit, irrespective of his capital share.</p> <p>a. Both A and R are true and R is the correct explanation of A b. Both A and R are true and R is not the correct explanation of A c. A is true, but R is false d. A is false, but R is true</p>
23.	<p>A, B and C are partners sharing profits in the ratio of 1:2:3. On 1-4-2021 they decided to share the profits equally. On the date there was a credit balance of Rs. 1,20,000 in their Profit and Loss Account and a balance of Rs. 1,80,000 in General Reserve Account. Instead of closing the General</p>

	<p>Reserve Account and Profit and Loss Account, it is decided to record an adjustment entry for the same. Identify the correct adjustment entry to give effect to the above arrangement:</p> <p>A) Dr. A by Rs. 50,000; Cr. B by Rs. 50,000 B) Cr. A by Rs. 50,000; Dr. B by Rs. 50,000 C) Dr. A by Rs. 50,000; Cr. C by Rs. 50,000 D) Cr. A by Rs. 50,000; Dr. C by Rs. 50,000</p>
24.	<p>Anuradha is a partner in a firm. She withdrew Rs.6,000 in the beginning of each quarter during the year ended 31st March, 2021. Interest on her drawings @ 10% p.a. will be:</p> <p>A) Rs.900 B) Rs.1,200 C) Rs.1,500 D) Rs.600</p>
25.	<p>According to Profit and Loss Account, the net profit before any interest for the year is Rs.1,50,000. The total interest on partner's capital is Rs.18,000 and interest on partner's drawings is Rs.2,000. The interest on partners loan amounted to 4,000. The net profit as per Profit and Loss Appropriation Account will be _____</p> <p>A) Rs.1,66,000 B) Rs.1,70,000 C) Rs.1,30,000 D) Rs.1,34,000</p>
26.	<p>Given below are two statements, one labelled as Assertion (A) and the other labelled as Reason (R). You are to examine these two statements carefully and select the answers using the code given below:</p> <p>Assertion (A): At the time of admission of a partner, partnership is dissolved and not the firm Reason (R): In case of reconstitution, existing agreement comes to an end and a new one comes into existence.</p> <p>A) Both Assertion and Reason are correct and Reason is the correct explanation for Assertion B) Both Assertion and Reason are correct but Reason is not the correct explanation for Assertion C) Assertion is correct but Reason is incorrect D) Both Assertion and Reason are incorrect</p>
27.	<p>A Company forfeited 500 shares of Rs. 10each for non-payment of first call of Rs. 3per Share and final call of Rs.1 per share. Out of these, 300 shares were issued in such a way that Rs. 1,350 is transferred to Capital Reserve. What was the re-issue price of each share?</p> <p>A) Rs 2,550 per share B) Rs. 8.5 per share C) Rs. 450 per share D) Rs. 1.5 per share</p>
28.	<p>Banta ltd. issued equity shares of Rs.10 each; all shares were issued and subscribed. Amount called up: - On application Rs.3 on allotment Rs.2, Rs.3 on first call and Rs. 2 on final call. Mr. A, a holder of 200 shares paid entire money on allotment. At the time of receiving the money, "Calls in Advance" A/c will be credited with Rs. _____</p>

	<p>A) Rs. 1,000 B) Rs. 1,100 C) Rs. 1,900 D) Rs. 1,800</p>
29.	<p>X and Y are partners in the ratio of 3:2. Their Capitals are Rs.2,00,000 and Rs.1,00,000 respectively. Interest on capital is to be allowed @ 8% p.a. Firm incurred a loss of Rs.60,000 for the year ended 31st March 2021. Interest on Capital will be _____</p> <p>A) X Rs.16,000; Y Rs.8,000 B) A Rs.8,000; Y Rs.4,000 C) X Rs.14,400; Y Rs.9,600 D) No Interest will be allowed</p>
30.	<p>It is a part of share capital that a company resolves not to call except in the event of it being wound-up. It is known as _____.</p> <p>A) Reserve capital B) Capital Reserve C) Authorized capital D) Issued capital</p>
31.	<p>Given below are two statements, one labelled as Assertion (A) and the other labelled as Reason (R). You are to examine these two statements carefully and select the answers using the code given below:</p> <p>Assertion (A): 'Securities Premium Reserve' cannot be used as working capital. Reason (R): 'Securities Premium Reserve' can be used only for those purposes which are specified under section 52 of companies Act, 2013.</p> <p>A) Both A and R are individually true and R is the correct explanation of A B) Both A and R are individually true but R is not the correct explanation of A C) A is true but R is false D) A is false but R is true</p>
32.	<p>P, Q, and R sharing profits in the ratio of 2:1:1 have fixed capitals of Rs.4,00,000, Rs.3,00,000 and Rs.2,00,000 respectively. After closing the accounts for the year ending 31st March 2021, it was discovered that interest on capitals was provided @ 6% instead of 8% p.a. In the adjusting entry:</p> <p>A) Cr. P Rs.1,000; Dr. Q Rs.1,500 and Cr. R Rs.500 B) Dr. P Rs.500; Cr. Q Rs.1,500 and Dr. R Rs.1,000 C) Cr. P Rs.500; Dr. Q Rs.1,500 and Cr. R Rs.1,000 D) Dr. P Rs.1,000; Cr. Q Rs.1,500 and Dr. R Rs.500</p>
33.	<p>X ltd. Forfeited 1,000 shares of Rs. 10 each for the non-payment of final call of Rs. 2. The account that will be debited for called up price of a share at the time of forfeiture of shares will be _____</p> <p>A) Share Forfeiture A/c B) Share Capital A/c C) Share Final Call A/c D) None of these</p>
34.	<p>X limited purchased Plant and Machinery worth Rs. 36,00,000 and also assumed the responsibilities to pay off the liabilities of Rs. 6,00,000 of Y limited. The purchase consideration was discharged by issuing equity shares of Rs. 100 each at a premium of 20%.</p>

	<p>What was the number of shares issued in favour of Y limited?</p> <p>A) 36,000shares B) 5,000shares C) 30,000shares D) 25,000shares</p>									
35.	<p>A and B share profits in the ratio of 2:1. C is admitted with 1/4 share in profits. C acquires 3/4 of his share from A and 1/4 of his share from B. The new ratio will be:</p> <p>A) 2:1:1 B) 23:13:12 C) 3:1:1 D) 13:23:12</p>									
36.	<p>Krishan Ltd has Issued Capital of 20, 00,000 Equity shares of ₹10 each. Till Date ₹8 per share have been called up and the entire amount was received except calls of ₹4 per share on 800 shares and ₹3 per share from another holder who held 500 shares. What will be amount appearing as 'Subscribed but not fully paid capital' in the balance sheet of the company?</p> <p>A) ₹ 2,00,00,000 B) ₹ 1,95,99,000 C) ₹ 1,59,95,300 D) ₹ 1,99,95,300</p>									
<p>Section – C</p> <p>Instructions: From Question Numbers 37-41 attempt any 4 questions</p>										
<p>Case based question: (Questions 37 to 39 are based on the given paragraph)</p> <p>XL Ltd invited applications for issuing 1,00,000 equity shares of Rs. 10 each at par. The amount was payable as follows:</p> <p>On Application - Rs. 2 per share On Allotment - Rs. 5 per share On first and final call – Rs. 3 per share.</p> <p>Applications were received for 3,00,000 shares. Applications for 60,000 shares were rejected and the money refunded. Allotment was made to the remaining applicants as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Category</th> <th>Number of shares applied</th> <th>Number of shares allotted</th> </tr> </thead> <tbody> <tr> <td>I</td> <td>1,60,000</td> <td>80,000</td> </tr> <tr> <td>II</td> <td>80,000</td> <td>20,000</td> </tr> </tbody> </table> <p>Excess money received with applications was adjusted towards sums due on allotment. All calls were made and were duly received except the allotment & final call by a share holder belonging to category I who has applied for 320 shares. His shares were forfeited, the forfeited shares were reissued at Rs. 15 per share fully paid – up.</p>		Category	Number of shares applied	Number of shares allotted	I	1,60,000	80,000	II	80,000	20,000
Category	Number of shares applied	Number of shares allotted								
I	1,60,000	80,000								
II	80,000	20,000								
37.	<p>_____ is the amount that the company has adjusted on allotment.</p> <p>A) Rs. 4,00,000 B) Rs. 3,20,000 C) Rs. 2,80,000 D) Rs. 4,80,000</p>									

38.	<p>_____ is the amount received on allotment.</p> <p>A) Rs. 4,99,520 B) Rs. 2,19,520 C) Rs. 4,98,400 D) Rs. 2.18.400</p>
39.	<p>If the applications received by company were for 80,000 shares then company can allot:</p> <p>A) 1,00,000 shares B) 80,000 shares C) Company cannot go ahead with allotment. D) None of these.</p>
	<p>Read the following hypothetical text and answer the given questions: (Q. Nos: 40&41)</p> <p>Radha and Sakhi are partners of 4:3. They admitted Meera for $\frac{2}{9}$th share in future profits from 1/4/2021. Meera will bring Rs. 2,00,000 for her share of capital they decided to change their profit-sharing ratio. The new ratio will be 3:4:2. On the same date, balance sheet showed the balance of Rs. 90,000 as Workman Compensation Reserve. An accident occurred with one of the employees of their firm. He claimed Rs. 99,000 for his treatment.</p>
40.	<p>With how much amount revaluation account will be debited?</p> <p>A) Rs. 99,000 B) Rs. 9,000 C) Rs. 90,000 D) None of these</p>
41.	<p>Who is sacrificing partner?</p> <p>A. Radha B. Sakhi C. Meera D. All of them</p>
	<p style="text-align: center;">Part – II Section – A</p> <p style="text-align: center;">Instructions: From question number 42 to 48, attempt any 5 questions.</p>
42.	<p>Given below are two statements, one labelled as Assertion (A) and the other labelled as Reason (R)</p> <p>Assertion (A): Activity Ratios are the ratios that are calculated for measuring the efficiency of operations of business based on effective utilization of resources.</p> <p>Reason (R): Current Ratio & Quick Ratio are liquidity ratios.</p> <p>A) Both A & R are individually true & R is the correct explanation of A B) Both A & R are individually true but R is not the correct explanation of A C) A is true but R is false D) A is false but R is true</p>

43.	<p>Which of the following is not an activity ratio?</p> <p>A) Inventory turnover ratio B) Interest coverage ratio C) Working capital turnover ratio D) Trade receivables turnover ratio</p>								
44.	<p>Which one of the following is correct?</p> <p>i. A ratio is an arithmetical relationship of one number to another number. ii. Liquid ratio is also known as acid test ratio. iii. Ideally accepted current ratio is 1: 1. iv. Debt equity ratio is the relationship between outsider's funds and shareholders' funds. In the context of the above statements, which of the following options is correct?</p> <p>A) All (i), (ii), (iii) and (iv) are correct. B) Only (i), (ii) and (iv) are correct. C) Only (ii), (iii) and (iv) are correct. D) Only (ii) and (iv) are correct.</p>								
45.	<p>100 – Operating Profit Ratio is equal to_____.</p> <p>A) Current Ratio B) Net Profit Ratio C) Gross Profit Ratio D) Operating Ratio</p>								
46.	<p>The management of M Ltd. wants to analyze its Financial Statements. The main objective of such analysis is _____</p> <p>A) To know the financial strength B) To make the comparative study with other firms. C) To know the efficiency of the management. D) All of these.</p>								
47.	<p>Match the following:</p> <table border="1" data-bbox="225 1444 1469 1709"> <thead> <tr> <th data-bbox="225 1444 758 1480">Column I</th> <th data-bbox="758 1444 1469 1480">Column II</th> </tr> </thead> <tbody> <tr> <td data-bbox="225 1480 758 1559">(i) Proprietary Ratio</td> <td data-bbox="758 1480 1469 1559">(a) $\frac{\text{Cost Revenue from Operations}}{\text{Average Inventory}}$</td> </tr> <tr> <td data-bbox="225 1559 758 1632">(ii) Inventory Turnover Ratio</td> <td data-bbox="758 1559 1469 1632">(b) $\frac{\text{Proprietors' Funds} * (100)}{\text{Total Assets}}$</td> </tr> <tr> <td data-bbox="225 1632 758 1709">(iii) Return on Investment</td> <td data-bbox="758 1632 1469 1709">(c) $\frac{(\text{Profit before Interest, Tax \& Dividend}) * (100)}{\text{Capital Employed}}$</td> </tr> </tbody> </table> <p>A) i-b, ii-a, iii-c B) i-c, ii-a, iii-b C) i-a, ii-b, iii-c D) i-c, ii-b, iii-a</p>	Column I	Column II	(i) Proprietary Ratio	(a) $\frac{\text{Cost Revenue from Operations}}{\text{Average Inventory}}$	(ii) Inventory Turnover Ratio	(b) $\frac{\text{Proprietors' Funds} * (100)}{\text{Total Assets}}$	(iii) Return on Investment	(c) $\frac{(\text{Profit before Interest, Tax \& Dividend}) * (100)}{\text{Capital Employed}}$
Column I	Column II								
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(iii) Return on Investment	(c) $\frac{(\text{Profit before Interest, Tax \& Dividend}) * (100)}{\text{Capital Employed}}$								
48.	<p>Narayan Ltd. shows Non-Current Assets of Rs.52, 00,000, Current Assets of Rs.18, 00,000, & Shareholders' Funds as Rs.43, 00,000 in the Balance Sheet. Find out Total Debts of the Narayan Ltd.</p>								

- A) Rs.70,00,000
- B) Rs.27,00,000
- C) Rs.95,00,000
- D) Rs.52,00,000

Part - II
Section – B

Instructions: From question number 49 to 55, attempt any 6 questions.

49. If Current Ratio of Nagin Ltd. is 2.5: 1 and its Current Liabilities are Rs.8,00,000. Working Capital will be?
 A) Rs.12,00,000
 B) Rs.6,00,000
 C) Rs.20,00,000
 D) Rs.11,11,111

50. Cash Revenue from Operations Rs. 1,00,000, Credit Revenue from Operations Rs. 3,00,000, Gross Profit 30% of Revenue from Operations, Inventory Turnover Ratio is 2 Times. Calculate Closing inventory if Opening Inventory is 1/3rd of the inventory at the end.
 A) Rs.1,40,000
 B) Rs.2,80,000
 C) Rs.2,10,000
 D) Rs. 1,20,000

51. Calls in advance appear in a Company's Balance Sheet under _____
 A) Share Capital
 B) Current Liability
 C) Long-term Borrowings
 D) Reserve & Surplus

52. Match the items given in Column I with the headings/subheadings (Balance sheet) as defined in Schedule III of Companies Act 2013.

Column I	Column II
I Stores and spares	(a) Intangible fixed assets
II Intellectual Property Rights	(b) Other current assets
III Taxes paid in advance	(c) Long term Borrowings
IV 10% Mortgage loan	(d) Inventories
V Plant and Machinery	(e) Tangible Fixed assets

- Choose the correct option:
 (A) (I)-(a), (II)-(b), (III)- (d), (IV)- (c), (V)-(e)
 (B) (I)-(d), (II)- (a), (III)-(b), (IV)- (c), (V)-(e)
 (C) (I)-(d), (II)- (a), (III)-(b), (IV)-(e), (V)-(c)
 (D) (I)- (e), (II)- (d), (III)- (a), (IV)-(b), (V)-(b)

53.	<p>Assertion (A): Prepaid Expenses are not considered as liquid assets Reason (R): Prepaid Expenses cannot be converted into cash.</p> <p>A) Both (A) and (R) are true and (R) is the correct explanation of (A) B) Both (A) and (R) are true and (R) is not the correct explanation of A C) (A) is true, but (R) is false D) (A) is false, but (R) is true</p>
54.	<p>Net profit after tax Rs. 7,00,000, 6 % Debentures Rs. 20,00,000 and Tax rate 30 %. The interest coverage ratio will be:</p> <p>A) 8 times B) 9.33 times C) 10.8 times D) None of these</p>
55.	<p>Quick ratio of a company is 0.75:1. State whether sale of goods costing Rs. 1,50,000 for Rs. 1,40,000 would _____ the ratio</p> <p>A) Improve B) Reduce C) Not alter D) None of these</p>
<p>Part – III Section – A From question number 56 to 62, attempt any 5 questions.</p>	
56.	<p>Which key combination collapses the ribbon?</p> <p>(A). [Ctrl]+[F1] (B). [Ctrl]+[F3] (C). [Ctrl]+[F5] (D). [Ctrl]+[F7]</p>
57.	<p>The CAS should be-</p> <p>(A) Simple and integrated, transparent, accurate, scalability, reliability. (B) Complex, Accurate, Transparent, faster to work. (C) Able to transform the manual accounting system to computerised accounting system. (D) None of the above.</p>
58.	<p>The components of Computerised Accounting System are:</p> <p>(A) Data, Report, Ledger, Hardware, Software. (B) Data, People, Procedure, Hardware, Software. (C) People, Procedure, Ledger, Data, Chart of Accounts. (D) Data, Coding, Procedure, Rules, Output.</p>
59.	<p>Where are amounts owed by customers for credit purchases found?</p> <p>(A) accounts receivable journal (B) general ledger (C) sales journal (D) accounts receivable subsidiary ledger</p>

60.	<p>What is the activity sequence of the basic information processing model?</p> <p>(A) Organise data, process data, and collect data (B) Collect data, organise and process data, and communicate information (C) Process data, organise data, and collect data (D) Organise data, collect data, and communicate information</p>
61.	<p>Codification of Accounts required for the purpose of:</p> <p>(A) Hierarchical relationship between groups and components (B) Data processing faster and preparing of final accounts (C) Keeping data and information secured (D) None of the above.</p>
62.	<p>Which mathematical operator is represented by an asterisk (*)?</p> <p>(A). Exponentiation (B). Addition (C). Subtraction (D). Multiplication</p>
<p>Part – III Section – B Instructions: From question number 63 to 69, attempt any 6 questions.</p>	
63.	<p>What category of functions is used in this formula: =PMT (C10/12, C8, C9,1)</p> <p>(A) Logical (B) Financial (C) Payment (D) Statistical</p>
64.	<p>Where is the address of the active cell displayed?</p> <p>(A) Row heading (B) Status bar (C) Name Box (D) Formula bar</p>
65.	<p>Which function results can be displayed in Auto Calculate?</p> <p>(A). SUM and AVERAGE (B). MAX and LOOK (C). LABEL and AVERAGE (D). MIN and BLANK</p>
66.	<p>When Extend Selection is active, what is the keyboard shortcut for selecting all data up to and including the last row?</p> <p>(A) [Ctrl]+[Down-arrow] (B) [Ctrl]+[Home] (C) [Ctrl]+[Shift] (D) [Ctrl]+ [Up Arrow]</p>

67.	What category of functions is used in this formula: =PMT (C10/12, C8, C9,1) (A) Logical (B) Financial (C) Payment (D) Statistical
68.	Where is the address of the active cell displayed? (A) Row heading (B) Status bar (C) Name Box (D) Formula bar
69.	Where is the address of the active cell displayed? (A) Row heading (B) Status bar (C) Name Box (D) Formula bar