BOARD OF DEPARTMENTAL EXAMINATION, HIMACHAL PRADESH DEPARTMENTAL EXAMINATION FOR INSPECTORS OF EXCISE AND TAXATION DEPARTMENT APRIL, 2015

PAPER-5: BOOK KEEPING AND GENERAL COMMERCIAL KNOWLEDGE

TIME ALLOWED: 3 HOURS MAXIMUM MARKS: 100

Notes:

- a. Attempt any five questions.QuestionNo.1 is compulsory.
- b. Marks are indicated against each question.
- c. Use of Calculator is allowed.
- d. Attempt all parts of a question in a consecutive order.

Q.No.1 From the following trial balance of Mr. Girdhari Lal & Sons on 31.03.2014, prepare Trading, Profit and Loss Account for the year ending 31.03.2014 and balance sheet on that date:

Particulars	Dr.(Rs.)	Cr.(Rs.)
Capital		3,50,000
Drawings	25,000	
Plant and Machinery	1,50,000	
Debtors and Creditors	90,000	40,000
Returns	10,000	12,000
Discount	5,000	4,000
Commission	8,000	
Interest on Bank loan	22,000	
Furniture	34,000	
Provision for doubtful debts		12,000
Wages	48,000	
Salaries	60,000	
Advertisement	15,000	
Taxes and Insurance	12,000	
Purchase and Sales	2,40,000	4,80,000
Opening stock	50,000	
Carriage	12,000	
Buildings '	3,00,000	
Cash in hand	12,000	
Cash at bank	25,000	
10% Bank loan(as on 1.04.2013		2,20,000
	11,18,000	11,18,000

Additional Information:

- a. Stock valued at Rs. 46,000 as on 31.03.2014.
- b. As on 31.03.2014, Wages and salaries were outstanding Rs. 5,000 and 4,000 respectively.
- c. Depreciate Plant and Machinery, Buildings and Furniture at 15 %, 2.5% and 15% respectively.
- d. Provide for doubtful debts at 10% on debts.

(20 Marks)

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Q.No.2 Rectify the following by passing journal entries:~

- a. Cash of Rs. 4000/- paid to Satish was credited to Harish.
- b. Carriage of Rs. 1000/- on purchase of a Machinery was debited to Carriage Account.
- c. Old Furniture sold for Rs. 6,000/- was entered in the Sales Book.
- d. Salary of Rs. 10,000/- paid to Manish was debited to his personal Account.
- Salary of Rs. 10,000/- paid to Madhav was not entered in the Sales Book.
- Q.No.3 On 1st January, 2003, Om Associate purchased a second hand machine for Rs. 58,000/- and spent Rs. 2,000/- on its erection. On 1st July 2005, the machine was sold for Rs. 28,600/-. Prepare the Machinery Account for the first three years using Written Down Value Method taking the rate of depreciation at 10% per annum.

(20 Marks)

Q.No.4 Distinguish between the following:~

- a. "Cash Memo" & "Bill"
- b. "Journal" & "Ledger".
- c. "Book Keeping" & "Accountancy"
- d. "Cheque" & "Draft"

(5*4=20 Marks)

Q.No.5 Attempt the following:~

- a. List out the errors which remain undetected by the Trial balance?
- b. State the item of differences between Cash book and Pass Book?
- c. Define the term "Amortisation"
- d. List out the items which are classified under Current Assets.

(5*4=20 Marks)

Q.No.6 Write short notes on the following:

- a. Bill of Exchange
- b. Self Balancing Ledger.

(10*2=20 Marks)

Q.No.7 Attempt the following:-

- a. What source documents would you rely to test check the VAT return filed by a business entity?
- b. List out the accounting checks you would apply to ascertain the authenticity of the VAT return filed by a Trading concern.

(10*2=20 Marks)