

**H.P.BOARD OF DEPARTMENTAL EXAMINATION
DEPARTMENTAL EXAMINATION OF OTHER GAZETTED OFFICERS/
OFFICIALS OF HIMACHAL PRADESH SESSION APRIL, 2010**

PAPER-5 (BOOK KEEPING AND ACCOUNTS FOR CO- OPERATIVE DEPTT.)

Time Allowed: 3 Hours.

Maximum Marks: 100

Note:- 1. Attempt any five Questions including Q.No.5 which is compulsory

2. All question carry equal marks.

3. Books are not allowed.

4. Use of calculator is allowed.

5. Avoid cuttings and overwriting otherwise marks will be deducted.

Q.No.1 What do you understand by Double Entry System of Account. Explain in detail With suitable Financial Entries/ Examples? What are the advantages and Disadvantages of Double Entry System of Account? How does it differ from Single entry system of Accounts? **(20 marks)**

Q.No.2 Prepare a Cash Book with Cash and Bank column from the following Transactions carried out in the month of March, 2010.

March	Transaction	Amount
1	Cash Balance	4,600
1	Bank over draft	4,000
5	Cheque reveived from Mr. Sharma	8,000
8	Sharma's Cheque deposited in Bank	8,000
11	Cheque issued to Mohan	5,000
12	Sharma' Cheque dishonored	8,000
18	Withdraw from Bank for office use	2,000
20	Purchased goods for cash	5,000
22	Paid telephone bill	500
24	Sold goods for cash	3,500
26	Withdraw from bank for domestic use	2,000
28	Bank charges	100
29	Cheque received from Rajeev deposited in the Bank	10,000
30	Cash deposited in the Bank	1,000
30	Paid wages	100

(20 marks)

Q.No.3 What is Trial Balance? How and why it is prepared? Describe the errors Disclosed and not disclosed by Trial balance. Explain whether Final Accounts Can be prepared without preparation of Trial Balance? **(20 marks)**

- Q.No.4 a) What do you mean by Bank Reconciliation? Why it is prepared? **(5 marks)**
 b) Prepare Bank Reconciliation statement of Shri Krishan as on 31st march, 2010 from the following financial transaction”-

Sr.No.	Financial Transactions
1	Balance as per Pass Book Rs.10,000
2	Bank collected a Cheque of Rs.500 on behalf of Shri Krishan but wrongly credited it to Shri Krishna’s Account another customer
3	Bank recorded a cash deposit of Rs. 2,589/- as 2,598/-
4	Withdrawal column of Pass Book under cast by Rs. 100/-
5	The credit balance of Rs. 1,500/- as on Page 10 of the Pass Book was recorded on page 11 as a debit balance
6.	The payment of a Cheque of Rs. 350/- was recorded twice in the Pass Book
7	The Pass Book showed a Credit for a Cheque of Rs.1, 000/- deposited by Krishan another customer of the Bank.
8	Dividend directly collected by the Bank Rs.125/-

(15 marks)

- Q.No.5 From the following Trial Balance you are required to prepare Trading, Profit and Loss Account for the year ending 31st March, 2010 and Balance Sheet as that date:-

Sr.No.	Ledger Account	Debit Balance	Credit Balance
1	Stock	7,400	-
2	Purchases	30,600	-
3.	Plant & Machinery	15,000	-
4	Trade expenses	340	-
5	Carriage in	660	-
6	Carriage out	500	-
7	Factory Rent	1,000	-
8	Discount	380	-
9	Insurance	1,200	-
10	Sundry Debtors	18,000	-
11	Office Rent	620	-
12	Printing & stationery	80	-
13	General expense	500	-
14	Advertisement	1,500	-
15.	Bills receivable	3,000	-
16.	Drawings	800	-
17.	Salaries	1,540	-
18.	Manufacturing wages	760	-
19.	Furniture and fixture	600	-
20.	Gas and water charges	300	-
21.	Cash in- hand	2,000	-
22.	Cash at Bank	1,800	-
23.	Repairs and renewals	200	-

24.	Duty and clearing charges	100	-
25.	Telephone charges	50	-
26.	Bank Charges	20	-
27.	Capital Account	-	28,000
28	Sales	-	50,000
29.	Sundry Creditors	-	8,000
30.	Bad Debts provision	-	950
31	Bills payable	-	1,850
32.	Commission received	-	150
33.	Total	88,950	88950

Adjustments:-

1. Closing stock was valued at Rs.10,000/-
2. Plant & Machinery is to be depreciated @ 10% and Furniture and Fixture @ 15%
3. Bad debts reserved is to be raised to 2% as Sundry Debtors
- 4 Insurance prepared was Rs.200/-
5. Outstanding Expenses were Manufacturing wages Rs.300/- Salaries Rs. 460/- total 760/-

(25 marks)

Q.No.6 Write short notes on:-

- (i) Outstanding and Pre- paid expenses
- (ii) Trade discount and Cash discount
- (iii) Current Assets and current liabilities
- (iv) Manufacturing Account
- (v) Loss on sale of fixed assets
- (vi) Difference between Reserves and Provision
- (vii) Capital and Revenue Reserves and Provisions.
- (viii) Contra entries and Suspense Account
- (ix) Diminishing balance method of depreciation
- (x) Items which are shown in the Trade Account.

(10 x 2= 20 marks)

Q.No.7 Journalize the following transactions:-

Month March, 2010	Financial Transactions
1	Mr.Verma Started a business with Cash Rs.10,000/- Furniture Rs. 5,000/- and Building Rs.15,000/-
1	Cash Purchases Rs.12,000/-
2	Goods purchased from Ram Lal Rs.2,000/-
6	Goods sold to Mr.Goldi Rs. 1,000/-
8	Goods returns to Rohit Ram Lal Rs.200/-
10	Goods given away as charity Rs.300/-
15	Sold goods for cash to Mr. Ram Lal Rs. 5000/-
17	Goods lost by fire Rs.500/-
20	Goods given away as sample Rs.150/-
21	Withdrew cash from Bank for personal use Rs.2500/-

(10 x 2 = 20 marks)
