

BOARD OF DEPARTMENTAL EXAMINATION, HIMACHAL PRADESH
DEPARTMENTAL EXAMINATION OCTOBER,2016.
(FOR OFFICERS OF COOPERATIVE DEPARTMENT))

PAPER 5: Book Keeping and Accounts

Time Allowed : 3 hours

Maximum Marks: 100

- Notes:**
- i) Attempt any five questions. Question No.1 is compulsory.
 - ii) All questions carry equal marks.
 - iii) No books are allowed.
 - iv) Use of Calculator is permitted
 - v) Attempt all parts(where given) of the question consecutively.
 - vi) Avoid cuttings & overwriting.

Q.No.1:- The Trial Balance of C.John as on 31st December 2015 was as under:-

Particulars	Dr.	Cr.
C.John's Capital Account		25,000
C.John's Drawings Account	2,800	
Lease of WareHouse(10 Years to run from 1 st January 2015)	5,000	
Stock 1 st January 2015	25,000	
Bills receivable	4,000	
Sales		1,40,000
S.Sons Loan Account	3,000	
Purchases	75,000	
Creditors		40,000
Salaries & Wages	6,000	
Insurance	400	
Debtors	65,000	
Carriage Inwards	1,700	
Carriage Outwards	2,900	
Commission	1,500	
Interest	1,800	
Stationery & Printing	500	
Bills payable		6,300
Returns Inwards	2,600	
Returns outwards		1,000
Trade Expenses	600	
Office fixtures	2,000	
Cash in Office	500	
Cash in Bank	10,000	
Rent and taxes	2,000	
	2,12,300	2,12,300

The Stock at 31st December 2015 was Rs.30,000; Rs.400 for Rent and Rs.600 for salaries were outstanding. Rs.100 were prepaid in respect of Insurance. The lease is to be written off by 10 percent and Office Fixtures by 5 percent.

From the information given above you are required to prepare the Trading Account, Profit & Loss Account and Balance Sheet as on 31st Dec.2015. (20)

Q.No.2:- a) Define Book Keeping. Also explain the objects of Book Keeping in a business organisation ;

b) Explain how the term "Double Entry arises" and what are the advantages of Double Entry system of Accounting? (10x2=20)

Q.No.3:- Explain the following terms:-

a) Accounting Principle;

b) Accrued and Due;

c) Accrued But Not Due;

d) Amortisation ;

e) Capitalisation;

(4x5=20)

Q.No.4 :- Distinguish between;

a) Cash Discount and Trade Discount;

b) Errors of omission & Compensating Errors

c) Current Assets & Current Liabilities.

d) Fixed Assets and b) Floating Assets.

(5x4=20)

Q.No.5:- What is a Bank Reconciliation Statement? What are the reasons for the balances shown by the Pass Book not tallying with the balances in the Cash Book? What purpose does a Bank Reconciliation Statement serves? (20)

Q.No.6:- Distinguish between;

a) Receipts and Payments Accounts and an Income and Expenditure Account.

b) Trading Account and Profit and Loss Account.

(10x2=20)

Q.No.7:- a) What is 'Depreciation' and why it should be brought into account?;

b) Discuss the following methods of providing for Depreceiation;

i) Fixed Instalment Method;

ii) Reducing Balance Method;

iii) Depreciation Fund Method.

(5+15=20)