

**BOARD OF DEPARTMENTAL EXAMINATION,  
HIMACHAL PRADESH  
DEPARTMENTAL EXAMINATION OF EXCISE AND TAXATION OFFICERS OF  
EXCISE & TAXATION DEPARTMENT  
NOVEMBER, 2017**

PAPER: 5. Book Keeping & Landa Script.

TIME ALLOWED: 3 HOURS

MAXIMUM MARKS: 100

Notes:

- i) Attempt any five questions including Question No. 1. which is compulsory.
- ii) All questions carry equal marks.
- ii) Books are not allowed.
- iii) Use of simple calculator is allowed.
- iv) Attempt all parts of question consecutively.
- v) Overwriting & cutting should be avoided.

Q. No. I From the following Trial Balance, you are required to prepare Trading and Profit and Loss Account for the year ending 31st March, 2017 and a balance sheet as on that date:

	₹		₹
Opening Stock	25,000	Sales	7,00,000
Furniture	16,000	Creditors	60,000
Purchases	5,55,300	Bank Overdraft	50,000
Carriage Inwards	4,700	Provision for bad and doubtful debts	2,100
Bad Debts	1,800	Discount	500
Wages	52,000	Capital	2,00,000
Debtors	80,000	Purchase Returns	20,000
Sales Returns	15,000		
Rent	22,000		
Miscellaneous Expenses	3,400		
Salaries	60,000		
Cash	8,900		
Drawings	14,000		
Buildings	1,60,000		
Advertising	10,000		
Interest on Bank Overdraft	4,500		
<b>Total</b>	<b>10,32,600</b>		<b>10,32,600</b>

**Adjustments:**

- (1) Closing stock is valued at ₹ 36,000.
- (2) Rent is paid @ ₹ 2,000 per month.
- (3) Salaries ₹ 8,000 and interest in bank overdraft ₹ 2,500 is outstanding.
- (4) Private purchases amounting to ₹ 5,000 have been debited to Purchases A/c.
- (5) Make a provision for Bad and doubtful debts at 5% on debtors.
- (6) A new sign board costing ₹ 4,000 is included in advertising.
- (7) Depreciate furniture and fittings by 10%. (20)

- Q. No. II
- (a) What is Trial Balance? How it is prepared? State the errors if committed will lead to disagreement of a trial balance.
  - (b) Pass Journal Entries to rectify the following errors:
    - (i) A sum of ₹ 12,000 paid to Sumesh was debited to Suresh.
    - (ii) Repairs of a machine amounting to ₹ 1,745 were debited to machinery account.
    - (iii) A bill receivable for ₹ 15,000 accepted by Mishra Bros. was recorded in bills payable book.
    - (iv) A credit sale of goods in trade for ₹ 15,870 to Suraj was recorded in the sales book ₹ 18,570.
    - (v) Goods sold to Ramu for ₹ 2140 were returned by him but no entry was passed in the book. (10+10)

P.T.O.

- Q. No. III (a) What is traditional classification of Accounts under double entry system of Book Keeping? What are the basic rules of Debit and Credit of such classification?
- (b) For the transactions given below one of the accounts involved is given. State the other account and say whether the account mentioned by you will be debited or credited.
- |        |   |              |
|--------|---|--------------|
| (i)    | Issar starts business with ₹ 1,00,000/-                         | Capital      |
| (ii)   | Discount allowed by Gopal                                       | Gopal        |
| (iii)  | Discount allowed to Madan                                       | Discount     |
| (iv)   | Repairs effected to machinery, payment through cheque           | Bank         |
| (v)    | Furniture sold for cash   | Cash         |
| (vi)   | Amount due from Singh irrecoverable                             | Singh        |
| (vii)  | Amount previously written off as bad debt now Received from Ali | Cash         |
| (viii) | Railway freight paid for machinery                              | Cash         |
| (ix)   | Repair to second hand machinery                                 | Cash         |
| (x)    | Amount charged by bank as bank charges                          | Bank charges |
- (10+10)**

- Q. No. IV D. Singh a stationery dealer requires to write his Cash Book with cash and bank columns from the following transactions, and balance the Cash Book on 30 September, 2017.
- |         |  |          |
|---------|--|----------|
| Sept. 1 | Opening balance:   |          |
|         | Cash:  | ₹ 150    |
|         | Bank:  | ₹ 10,370 |
| 1       | Sold stationery for cash ₹ 460   |          |
| 2       | Received from B. Singh ₹ 380 in cash being rent for the month of August, 2017  |          |
| 2       | Purchased stationery from K. Kar by cheque ₹ 1,500 and paid carriage on purchase by cash ₹ 25.                                     |          |
| 3       | Sold goods for ₹ 1,900 and payment therefore received ₹ 1,400 by cheque and balance by cash. The cheque was deposited in the bank. |          |
| 4       | Withdrawn from bank ₹ 3,500  |          |
| 4       | Lent to P. Gair ₹ 4,000 in cash  |          |
| 4       | R. Gupta paid ₹ 1,500 for sale of stationery to him  |          |
| 5       | Deposited cash into the bank ₹ 1,600   |          |
| 7       | Paid wages ₹ 50.   |          |
- (20)**

- Q. No. V What is the meaning, reasons and limitations of Incomplete Records (Popularly known as Single Entry System)? What are its disadvantages? How Profit or Loss is ascertained under this system of Accounting? **(20)**

- Q. No. VI What is depreciation? What are its main causes and need for providing depreciation in the final accounts. Explain in brief the distinction between Straight Line Method and Written down Method of depreciation? **(20)**

- Q. No. VII What is Landa Script? For what purpose it is used for? How it is different from Mahajani Script? Translate the following Roman characters in Landa script:-

- |       |    |        |     |       |     |      |     |     |    |      |    |
|-------|----|--------|-----|-------|-----|------|-----|-----|----|------|----|
| (i)   | ka | (ii)   | gha | (iii) | bha | (iv) | pha | (v) | ra | (vi) | ha |
| (vii) | la | (viii) | ma  | (ix)  | tha | (x)  | na  |     |    |      |    |

**(20)**

- Q. No. VIII Write short notes on the following:-

- Goodwill.
- Intangible Assets.
- Contingent Liabilities
- Reserves & Provisions.

**(5+5+5+5)**