

BOARD OF DEPARTMENTAL EXAMINATION, HIMACHAL PRADESH
DEPARTMENTAL EXAMINATION FOR OFFICERS OF CO-OPERATIVE
DEPARTMENT
SESSION DECEMBER 2018

PAPER :5 BOOK KEEPING AND ACCOUNTS

TIME ALLOWED: 3 HOURS

MAXIMUM MARKS: 100

NOTE

- a) Attempt five questions. Question No 1 is compulsory.
- b) All questions carry equal marks.
- c) Books are not allowed, however, use of calculator is allowed.
- d) Indicate the same question number and its part as assigned in the question paper while answering the same.
- e) Avoid cutting and overwriting

Q. No. 1 The following Trial Balance was taken out from the Books of Sh Subhash Chand on 31st March, 2013. Prepare Trading Account and Profit & Loss Account for the year ended on 31st March, 2013 and a balance sheet as on the date.

Debit Balances	Amount in Rs	Credit balance	Amount in Rs.
Salaries	900	Sales	55,380
Rent	600	Purchases Return	200
General Expenses	1,000	Creditors	8,000
Wages	1,250	Commission	500
Carriage	750	Bills Payable	1,500
Discount	300	Capital	25,000
Debtors	12,000		
Machinery	8,000		
Building	7,000		
Opening Stock	12,500		
Purchases	38,800		
Sales return	380		
Gas and Water	400		
Cash in Hand	1,700		
Cash at Bank	5,000		
	90,580		90,580

The stock on 31st March, 2013 was valued at Rs, 12,300.

(20)

P.T.O.

- Q. No. 2 a) What is accounting? What are its advantages ? (10)
- b) What is the difference between Book Keeping and Accountancy? (10)
- Q. No. 3 a) Distinguish between Fixed Assets and Current Assets. (10)
- b) Distinguish between Capital Expenditure and Revenue Expenditure. (10)
- Q. No. 4 What is Double Entry system of book keeping? Enumerate its advantages and disadvantages. (20)
- Q. No. 5 What are the mistakes on account of which a trial balance does not agree? What steps will you take to tally a Trial Balance ? (20)
- Q. No. 6 What are the differences between Fixed Installment Method and Reducing Balance Method of Depreciation? In what circumstances the Reducing Balance Method is more suitable in comparison to the first method? (20)
- Q. No. 7 Cash book of Mr Sharma showed a debit balance of Rs.7,500 on 31st March, 2016. On comparing with the Pass Book, it was found that cheques of Rs. 500 and Rs. 700 which were deposited into bank on 30th March, have not been collected so far. Cheques of Rs. 600, Rs. 800 and Rs, 1,200 were issued on 28th March, but none of these cheques was presented for payment up to 31st March. Bank credited Rs. 125 for interest in Sharma's Account but it was not recorded in Sharma's Cash Book. Bank charges Rs. 15 were also not recorded in Sharma's Cash Book. Prepare Bank Reconciliation Statement as on 31st March, 2016. (20)