

**BOARD OF DEPARTMENTAL EXAMINATION,
HIMACHAL PRADESH
DEPARTMENTAL EXAMINATION FOR EXCISE AND TAXATION OFFICERS OF
EXCISE & TAXATION DEPARTMENT
2019**

NOV -

PAPER: 5. Book Keeping & Landa Script (For E.T.Os)

TIME ALLOWED: 3 HOURS

MAXIMUM MARKS: 100

Notes:

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

Q. No. I

Pick up correct answer from the given choices:-

- (1) **In double entry system of Book keeping every business transaction affects:-**
 - (i) Two Accounts
 - (ii) Two sides of the same account
 - (iii) Same account on two different dates
 - (iv) All the above
- (2) **Capital is the difference between:-**
 - (i) Income & Expenses
 - (ii) Purchases & Sales
 - (iii) Assets & Liabilities
 - (iv) Debit & Credit balances
- (3) **Purchase of machinery for cash:-**
 - (i) Decreases total assets
 - (ii) Increases total assets
 - (iii) Retains total assets unchanged
 - (iv) Decreases total liabilities
- (4) **Journal & Ledger record transactions in:-**
 - (i) A chronological and analytical order respectively
 - (ii) An analytical and chronological order respectively
 - (iii) A chronological order only
 - (iv) An analytical order only
- (5) **After preparing the Trial Balance the accountant finds that total of debit side is short by ₹ 1,500. This difference will be:-**
 - (i) Credited to suspense account
 - (ii) Debited to suspense account
 - (iii) Adjusted to any of the Debit balance account
 - (iv) Adjusted to any of the Credit balance account
- (6) **Sales Book:-**
 - (i) Is a part of journal
 - (ii) Is a part of ledger
 - (iii) Is a part of balance sheet
 - (iv) None of the above
- (7) **Cash Book is a type of _____ but treated as a _____ of accounts:-**
 - (i) Subsidiary book, principal book
 - (ii) Principal book, subsidiary book
 - (iii) Subsidiary book, Subsidiary book
 - (iv) Principal book, principal book
- (8) **Subsidy of ₹ 40,000 received from the Government for working capital by a manufacturing concern is:-**
 - (i) Capital Receipt
 - (ii) Revenue Receipt
 - (iii) Capital expenditure
 - (iv) Revenue expenditure

Contd....P-2.

- (9) Which of the following is not the salient feature of bank reconciliation statement?
:-
- (i) Any undue delay in clearance of cheques will be shown up by the reconciliation
- (ii) Reconciliation statement will help in finding the person doing any fraud.
- (iii) Bank reconciliation statement is prepared by the user of financial statements.
- (iv) It helps in finding out the actual position of the bank balance.
- (10) If the amount is posted in the wrong account or it is written on the wrong side of the account, it is called:-
- (i) Error of omission (ii) Error of commission
- (iii) Error of principle (iv) Compensating error

(10X2)

Q. No. II

From the following Trial Balance & other information, you are required to prepare **Trading and Profit and Loss Account** for the year ending 31st March, 2019 and a **Balance Sheet** as on that date:.

	₹		₹
Opening Stock	1,10,000	Capital	6,50,000
Purchases	4,30,000	Sales	9,70,000
Carriage Inwards	40,000	Trade payables	1,90,000
Salaries	2,10,000	Purchase Returns	12,000
Other Administrative Expenses	1,50,000	Discount	9,000
Furniture	3,50,000		
Trade receivables	2,10,000		
Sales Returns	20,000		
Discount	19,000		
Bad Debts	5,000		
Investments in Government Securities	1,00,000		
Cash in hand & at Bank	1,87,000		
Total	18,31,000	Total	18,31,000

Other information:

(1) Closing stock is valued at ₹ 1, 80,000.

(7) Depreciate furniture @ 10% per annum.

(20)

Q. No. III

Enter the following transactions in the Cash Book of Mr. 'X'

August, 2019		₹
1	Cash in Hand	15,000
	Overdraft at Bank	500
2	Cash Sales	3,000
3	Paid to S. Bros. by cheque	3,400
	Discount received	100
5	Sales through Credit Card	2,800
6	Received cheque from 'A'	6,200
7	Endorsed 'A's cheque in favour of 'B'	
9	Deposit into Bank	6,800
10	Received cheque from C & deposited the same into bank by allowing discount of ₹ 50	3,600
12	'B' informed that 'A's is dishonored. Now cash is received from 'A' and amount is paid to 'B' through own cheque	
16	Sales through Debit Card	3,200
22	Withdrawn from Bank	1,800
28	Paid to 'D' by cheque	3,000
30	Bank charged 1% commission on sales through Debit/Credit Cards	

(20)

Contd.... P-3

Q. No. IV What The concept of 'Accounts', 'Debit' and 'Credit' under double entry system of Book Keeping? How 'Accrual Basis of Accounting Method' is different from 'Cash Basis of Accounting Method' for recording transactions? (20)

Q. No. V What is depreciati on? What are its main causes and need for providing depreciation in the final accounts. Which method of depreciation is more suitable in the cases of 'Furniture and Fixtures', 'Plant and Machinery', 'Patents', 'Loose Tools' and 'Live stock'? Give reasons in each case. (20)

Q. No. VI What is Single Entry System? Mention three characteristics of Single Entry system? Mr. 'B' started a firm on 1st April 2018 with a Capital of ₹ 10, 00,000 on 1st July 2018, he borrowed from his wife a sum of ₹ 4,00,000 @ 9% pa (interest not yet paid) for business and introduces a further capital of his own amounting to ₹ 1,50,000. On 31st March 2019 his position was:

	₹
Cash:	60,000
Stock:	9, 40,000
Debtors:	7, 00,000
Creditors:	6, 00,000

Prepare Statement of Affairs and ascertain his profit or Loss taking into account ₹ 2, 00,000 for his drawings during the year. (20)

Q. No. VII What is 'Bank Reconciliation Statement'? How it is prepared? Following are the Cash Book and Pass Book of Mr. 'JBS' for the month of July and August, 2019. Prepare Bank Reconciliation Statement as on 31.07.2019.

Cash Book (Bank Column only)					
Dr. Date	Particulars	Amount ₹	Date	Particulars	Cr. Amount ₹
01.07.2019	To balance b/d	6,000	03.07.2019	By Cash A/C	2,000
06.07.2019	To Sales A/C	3,000	08.07.2019	By Mohit	6,000
10.07.2019	To Ramu	6,500	12.07.2019	By Pali	3,000
18.07.2019	To Singh	2,700	18.07.2019	By Surat	4,000
25.07.2019	To Goyal	3,300	24.07.2019	By Ramesh	1,500
31.07.2019	To Patel	6,500	31.07.2019	By Balance c/d	11,500
		28,000			28,000
Pass Book					
Date	Particulars	Amount Dr.	Amount Cr.	Dr. Or Cr.	Balance
01.08.2019	By balance b/d		3,200	Cr.	3,200
03.08.2019	By Goyal		3,300	Cr.	6,500
05.08.2019	By Patel		6,500	Cr.	13,000
07.08.2019	To Neeraj	2,800		Cr.	10,200
13.08.2019	To Ramesh	1,500		Cr.	8,700
16.08.2019	To Bank Charges	200		Cr.	8,500
20.08.2019	By Uma		1,700	Cr.	10,200
26.08.2019	By Kamla		3,800	Cr.	14,000
30.08.2019	To Sashi	6,200		Cr.	7,800

(20)

Q. No. VIII (a) What are the books of 'original entry' in double entry system of accounting? Explain the difference between 'Principal Books' & 'Subsidiary Books of Accounts'. (10)

(b) What is 'Landa Script'? For what purpose it is used for? How it is different from 'Mahajani Script'? (10)