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PR / I / 4 / X / H

2010

Time : 3 hours

Full Marks : 80

Candidates are required to give their answers in their own words as far as practicable.

The figures in the margin indicate full marks.

Answer from both the Groups as directed.

Group – A

(Objective Type Questions)

Answer all questions.

1. Choose the correct answer of the following :

2×10 = 20

(a) Which column of cash book has always debit balance ?

(i) Cash

(ii) Bank

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(Turn over)

- (iii) Discount
 - (iv) None of these
- (b) Trade discount is recorded in which column of the Cash Book ?
- (i) Cash
 - (ii) Discount
 - (iii) Bank
 - (iv) All of these
- (c) The price of raw material is inflating, which of the Stock Valuation Method should be preferred ?
- (i) LIFO
 - (ii) FILO
 - (iii) NIFO
 - (iv) Simple average
- (d) Bank Reconciliation Statement is prepared by :
- (i) Tax authoring
 - (ii) Bank

- (iii) Customers of Bank
 - (iv) None of these
- (e) Facility of overdraft is available in :
- (i) Savings Bank Account
 - (ii) Current Bank Account
 - (iii) Recurring Deposit Account
 - (iv) Fixed Deposit Account
- (f) If Bank Reconciliation Statement is prepared from balance of cash book, we should find out the balance of :
- (i) Cash Book
 - (ii) Pass Book
 - (iii) Cheque Book
 - (iv) Pay-in-slip Book
- (g) Single Cash Book is prepared to know the balance of :
- (i) Bank
 - (ii) Cash

(iii) Bill Receivable

(iv) Bills Payable

(h) Petty Cash Book records :

(i) All expenses

(ii) Petty expenses

(iii) Outstanding expenses

(iv) Capital expenses

(i) Debit balance of Pass Book shows :

(i) Plus balance

(ii) Minus balance

(iii) Either Plus or Minus balance

(iv) None of these

(j) Outstanding expenses is recorded in which side of the Cash Book ?

(i) Debit

(ii) Credit

(iii) Either Debit or Credit

(iv) Neither Debit nor Credit

Group – B

(Long-answer Type Questions)

Answer any four questions : $15 \times 4 = 60$

2. What is Cash Book ? What are its different kinds ?
3. What is Three Column Cash Book ? How transaction entered in it ?
4. What do you mean by Subsidiary Book ? Explain briefly any five Subsidiary Books.
5. Explain the following methods :
 - (a) LIFO
 - (b) FILO
 - (c) HIFO
6. What is Bank Reconciliation Statement ? Why does difference arise in the Pass Book and Cash Book.
7. What is Bank Reconciliation Statement ? How is it prepared ?
8. What is Petty Cash Book ? What are its advantages ?

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(5)

(Turn over)

9. Prepare a Cash Book with cash and column :

2008		Rs.
May 1	Balance in hand	65,000
May 1	Balance at bank	15,000
May 2	Withdrawn cash for office	2,000
May 3	Drawn a cheque for personal use	1,000
May 8	Cash sold	5,600
May 12	Purchased stationary	100
May 18	Received a cheque from XY Co. and deposited into bank on the same day	9,500
May 24	Cash sold to Y and Co.	3,500
May 28	Received cash from Manohar	7,950
May 31	Bank charged incidental expenses	50

10. What is inventory management ? Discuss its method of recording.

