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:

   \[ 2 \times 10 = 20 \]

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

   (i) Cash

   (ii) Bank

SB – 16/2  (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) NIIFO
(iv) Simple average

(d) Bank Reconciliation Statement is prepared by:
(i) Tax authoring
(ii) Bank

SB – 16/2 (2) Contd.
(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

SB - 16/2 (3) (Turn over)
(iii) Bill Receivable
(iv) Bills Payable

(h) Petty Cash Book rewards:
(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

SB – 16/2 (4) Contd.
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?


5. Explain the following methods:
   (a) LIFO
   (b) FILO
   (c) HIFO


7. What is Bank Reconciliation Statement? How is it prepared?

8. What is Petty Cash Book? What are its advantages?

SB - 16/2 (5) (Turn over)
9. Prepare a Cash Book with cash and column:

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Withdrawn cash for office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

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

---

SB - 16/2 (300) (6) PR/14/X/H