

MIZORAM PUBLIC SERVICE COMMISSION
MIZORAM FINANCE & ACCOUNTS SERVICE (JUNIOR GRADE)
DEPARTMENTAL EXAMINATIONS, JULY, 2018

PAPER - V

Time Allowed : 3 hours

Full Marks : 100

Pass Marks : 40

Marks for each question is indicated against it.

Group – A

(Auditing – 40 Marks)

*(Attempt **any four** question from this group)*

1. State the objectives of Government Audit. **(10)**
2. Discuss the criminal liabilities of an Auditor. **(10)**
3. Distinguish between Investigation and Auditing. **(10)**
4. What do you mean by Vouching? How will you vouch cash transactions relating to payment of Wages? **(2+8 =10)**
5. Write notes on **any one** of the following: **(10)**
 - (a) Interim Audit.
 - (b) Errors of Omission.

Group – B

(Book Keeping and Accountancy – 60 marks)

*(Attempt **any four** questions from this group)*

6. Distinguish between Capital and Revenue expenditure. **(15)**
7. What do you mean by an Asset ? What are the different types of Assets? **(5+10 =15)**
8. What do you mean by the following : **(3×5 =15)**
 - (a) Debtors and Creditors
 - (b) Trial Balance
 - (c) Depreciation

9. On comparing the cash book with passbook of Puia it is found that on March 31, 2016, bank balance of Rs 40,960 showed by the cash book differs from the bank balance with regard to the following:

- (a) Bank charges Rs 100 on March 31, 2016, are not entered in the cash book.
- (b) On March 21, 2016, a debtor paid Rs 2,000 into Puia's bank in settlement of account, but no entry was made in the cash book of Puia.
- (c) Puia issued cheques totalling Rs 12,980 and duly recorded in the cash book before March 31, 2016, but had not been presented at the bank for payment until after that date.
- (d) A bill for Rs 6,900 discounted with the bank is entered in the cash book with recording the discount charge of Rs 800.
- (e) Rs 3,520 is entered in the cash book as paid into bank on March 31, 2016, but not credited by the bank until the following day.
- (f) No entry has been made in the cash book to record the dishonoured on March 15, 2016 of a cheque for Rs 650 received from Rina.

Prepare a bank reconciliation statement as on March 31, 2016. (15)

10. Prepare double column cash book from the following transactions for the month of December, 2016. (15)

<u>Date</u>	<u>Particulars</u>	<u>Amount in Rs.</u>
01	Cash in hand	17500
	Cash at bank	5000
03	Purchased goods for cash	3000
05	Received cheque from Liani	10000
08	Sold goods for cash	7000
10	Liani's cheque deposited into bank	
12	Purchased goods and paid by cheque	20000
15	Paid establishment expenses through bank	1000
18	Cash sales	7000
20	Deposited into bank	10000
24	Paid trade expenses	500
27	Received commission by cheque	6000
29	Paid rent	2000
30	Withdrew cash for personal use	1200
31	Salary paid	6000