

ADMISSION NUMBER											

**School of Business**  
**Bachelor of Business Administration**  
**Mid Term Examination - Nov 2023**

**Duration : 90 Minutes**  
**Max Marks : 50**

**Sem I - D1UA105T - Financial Accounting**

General Instructions

*Answer to the specific question asked*

*Draw neat, labelled diagrams wherever necessary*

*Approved data hand books are allowed subject to verification by the Invigilator*

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|----|---|--------|
| 1) | Show the journal entry for the transaction, 'Plant purchased for Rs. 60,00,000'. Payment made through cheque.               | K2 (2) |
| 2) | Show the journal entry for the transaction, a) 'goods purchased on credit for Rs. 6000.' b) purchase goods for cash Rs.2000 | K1 (3) |
| 3) | State the fundamental steps in accounting process?  | K2 (4) |
| 4) | Explain the principle of Conservatism and illustrate the main objective of Conservatism Convention with few Examples.       | K2 (6) |
| 5) | Identify the limitations of Financial statements.   | K3 (6) |
| 6) | Identify the purpose of the trial balance in the accounting process, and how is it prepared?                                | K3 (9) |
| 7) | Journalise the following transactions in the books of Himanshu:   | K4 (8) |

2017	Rs
Dec.01 Business started with cash	75,000
Dec.07 Purchased goods for cash	10,000
Dec.09 Sold goods to Swati	5,000
Dec.12 Purchased furniture	3,000
Dec.18 Cash received from Swati in full settlement	4,000
Dec.25 Paid rent	1,000
Dec.30 Paid salary	1,500

- 8) Rectify the following errors: K4 (12)
- (i) Credit sales to Mohan Rs 7,000 were not recorded.
  - (ii) Credit purchases from Rohan Rs 9,000 were not recorded.
  - (iii) Goods returned to Rakesh Rs 4,000 were not recorded.
  - (iv) Goods returned from Mahesh Rs 1,000 were recorded as Rs 1,600.

**OR**

Distinguish between Straight Line Method and Written Down Value Method. K4 (12)