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Mid Term Examinations - October 2026

Date: 08/10/2026 **Time:** 02:00 PM - 03:30 PM

Course Code: CBS1039 **Course Name:** Fundamentals of Financial Accounting

Semester: First Semester **Max. Marks:** 50 **Weightage:** 50%

CO - Levels	CO1	CO2
Marks	96	84

PART A: Answer Following Questions. 10 M

Q.N.	Questions	M	CO	BT
1	Define Financial Accounting.	2	CO1	BT1
2	State the meaning of GAAP.	2	CO1	BT1
3	Define the Double Entry System of Accounting.	2	CO1	BT1
4	State any two advantages of the Double Entry System.	2	CO1	BT1
5	Give the meaning of Trial Balance? State its any two purpose.	2	CO1	BT1

PART B : Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
6	Jayasheela is a sole proprietor having a provisions store. Following are the transactions during the month of January, 2026. Journalise them. Jan. Rs. 1 Commenced business with cash 80,000 2 Deposited cash with bank 40,000 3 Purchased goods by paying cash 5,000 4 Purchased goods from Lipton & Co. on credit 10,000 5 Sold goods to Joy and received cash 11,000 6 Paid salaries by cash 5,000 7 Paid Lipton & Co. by cheque for the purchases made on 4th Jan. 8 Bought furniture by cash 4,000 9 Paid electricity charges by cash 1,000 10 Bank paid insurance premium on furniture as per standing instructions 300	10	CO2	BT3

PTO (Please Turn Over)

7	From the following ledger balances of M/s ABC Traders, prepare a Trial Balance as on 31st March 2026. **Particulars Amount (₹)** **Cash 25,000** **Capital 45,000** **Purchases 40,000** **Sales 65,000** **Rent 8,000** **Salaries 12,000** **Furniture 20,000** **Creditors 15,000** **Debtors 30,000** **Bank Loan 10,000** Total 3,05,000	10	CO2	BT3

PART C: Answer Any 1 Following Questions. 10 M				
Q.N.	**Questions**	**M**	**CO**	**BT**
8	Explain how the accounting cycle is followed from recording transactions to preparing financial statements.	10	CO1	BT2
9	Analyse the objectives of financial accounting and explain how they help in business decision-making.	10	CO1	BT4

PART D: Answer Any 1 Following Questions. 10 M				
Q.N.	**Questions**	**M**	**CO**	**BT**
10	**Record the following transactions in the Journal of M/s Ravi Traders and post them into the respective Ledger Accounts:** **Date Transaction** June 1 Started business with cash ₹50,000 June 3 Purchased goods for cash ₹10,000 June 5 Purchased goods on credit from Arun ₹8,000 June 10 Sold goods for cash ₹15,000 June 15 Paid ₹5,000 to Arun June 20 Paid rent ₹3,000	10	CO2	BT3
11	Arun is a trader dealing in automobiles. For the following transactions, pass journal entries for the month of January, 2022 Jan. Rs. 1 Commenced business with cash 90,000 2 Purchased goods from X and Co. on credit 40,000 3 Accepted bill drawn by X and Co. 20,000 4 Sold goods to D and Co. on credit 10,000 5 Paid by cash the bill drawn by X and Co. 6 Received cheque from D and Co. in full settlement and deposited the same in bank 9,000 7 Commission received in cash 5,000 8 Goods costing Rs. 40,000 was sold and cash received 50,000 9 Salaries paid in cash 4,000 10 Building purchased from Kumar and Co. for Rs. 1,00,000 and an advance of Rs. 20,000 is given in cash.	10	CO2	BT3

PART E: Answer Any 1 Following Questions. 10 M				
Q.N.	**Questions**	**M**	**CO**	**BT**

12	**Identify the following accounts as Personal, Real, or Nominal and give the reason:** • Capital Account • Kumar's Account • Cash Account • Bank Account • Inventory Account • **Machinery Account**: • Sales Account • Purchase Account • Salaries Account • Interest Received Account	10	CO1	BT3
13	Explain the accounting information required by owners, managers, investors, creditors and government.	10	CO1	BT2