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Bengaluru

Mid Term Examinations - October 2026

Date: 06/10/2026 **Time:** 09:30 AM - 11:00 AM

Course Code: CBS1040 **Course Name:** Financial Accounting for Business

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

CO - Levels	CO1	CO2
Marks	44	46

PART A: Answer Following Questions. 10 M

Q.N.	Questions	M	CO	BT
1	What is GAAP ?	2	CO1	BT1
2	State the titles of IFRS 3, IFRS 13, Ind AS 110, and Ind AS 116	2	CO1	BT1
3	Journalise the following transactions; (a) Free sample goods of Rs.10000 (b) Stock used by proprietor of Rs.7000	2	CO2	BT3
4	Prepare the trial balance from the following transactions: **Particluares** **Rs.** Out standing expenses 10,000 Loan taken 5,000 Machinery 15,000 Salaries 2,000 Return inwards 1,000 Bank Over draft 3,000	2	CO2	BT3
5	Classify the following items according to the appropriate component of the Final Accounts of a Sole Trader: a) Coal and Gas b) Carriage on Purchases c) Bad Debts d) Machinery	2	CO2	BT4

PART B : Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
6	Explain the Objectives of Financial Accounting	10	CO1	BT2
7	Explain the major accounting concepts and conventions followed in the preparation of financial statements.	10	CO1	BT2

PART C: Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
8	Explain the meaning and importance of IFRS.	10	CO1	BT2

9	Interpret the following accounting terms with suitable examples: (a) Accounting Equation (b) Capital (c) Drawings (d) Assets (c) Bad Debts	10	CO1	BT3

PART D: Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
10	Ananth is a trader dealing in textiles. For the following transactions, pass journal entries for the month of January, 2018. Jan. 1 Commenced business with cash 70,000 2 Purchased goods from X and Co. on credit 30,000 3 Cash deposited into bank 40,000 4 Bought a building from L and Co. on credit 95,000 5 Cash withdrawn from bank for office use 5,000 6 Cash withdrawn from bank for personal use of Ananthu 4,000 7 Towels given as charities 3,000 8 Shirts taken over by Ananth for personal use 12,000 9 Sarees distributed as free samples 3,000 10 Goods (table clothes) used for office use 200	10	CO2	BT3
11	(a) Explain the meaning of Ledger and its key features (b) Prepare Anand's account from the following details. 2017 ` July 1 Credit balance of Anand's A/c 4,000 15 Amount paid to Anand 2,000 18 Goods purchased from Anand on credit 8,000 20 Paid to Anand 3,960 Discount allowed by him 40 25 Goods purchased from Anand 5,000	10	CO2	BT3

PART E: Answer Any 1 Following Questions. 10 M

Q.N.	Questions				M	CO	BT
12	Prepare a trial balance from the following balances of Veena as on 31st March 206.				10	CO2	BT3
	Name of Accounts	**Rs.**	**Name of Accounts**	**Rs.**			
	Cash in hand	14,500	Machinery	34,000			
	Bank Overdraft	13,600	Land and Buildings	60,000			
	Opening Stock	20,000	Debtors	24,000			
	Purchases	80,000	Creditors	18,500			
	Purchase Returns	2,000	Bills Receivable	2,850			
	Sales	1,30,000	Bills Payable	1,650			
	Sales Returns	5,00	Capital	80,000			
	Travelling Expenses	4,800	Drawings	6,000			
	Discount allowed	600	Rent	3,700			
	Discount received	1,500	Salaries	3,600			
	Furniture	4,500	Loan (cr)	13,000			
			Interest on loan	1,200			

13	From the trial balance of Sumathi and the adjustments prepare the trading and profit and loss account for the year ended 31st March, 2016, and a balance sheet as on that date. Adjustments: 1. Stock in hand on March 31, 2016 was valued at Rs.1,030. 2. Out Standing Salaries of Rs. 350			10	CO2	BT3

Particulars	Debit (Rs)	Credit (Rs)
Stock on April 1, 2015	900	
Purchases	2,000	
Sales		4,000
10% Loan		2,000
Carriage on purchases	200	
Rent from tenant		250
Interest on loan	100	
Machinery	400	
Postage	100	
Salary	650	
Commission received		200
Cash in hand	75	
Furniture	4,000	
Capital		1,975
Total	**8,425**	**8,425**