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School of Finance and Commerce

**Bachelor of Business Administration in Financial Investment Analysis
Mid Term Examination - Nov 2023**

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

Sem I - H1UA101T - Accounting for BusinessGeneral 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

- 1) Distinguish between accrual and cash bases of accounting? K2 (2)
- 2) State the major economic decisions which are based on accounting information? K1 (3)
- 3) Explain in what way is accounting information useful for : (i) owners, (ii) managers, (iii) creditors and (iv) employees of a business? K2 (4)
- 4) Illustrate the concept of Accrual. K2 (6)
- 5) Show an understanding on convention of 'Materiality' with examples? K3 (6)
- 6) Show necessary Journal entries in the books of ABC for the month of Decenmber, 2023 : i) An old machinery appearing in books exchanged for a new machinery of Rs. 5,000. ii) Issued a cheque for Rs. 1,000 in favour of landlord for a rent for the month of March. iii) Paid electricity bill of Rs. 450 by cheque. iv) The goods destroyed by theft Rs. 3,000. v) Paid wages for the installation of machinery Rs. 5,000. vi) Accrued interest Rs. 1100. vii) Goods worth Rs. 4,000 given away by way of charity. viii) Goods taken by Proprietor worth Rs. 10,000 for personal use. K3 (9)
- 7) Analyze the following statement, "Cash book is both a book of original entry and a book of final entry." K4 (8)
- 8) Analyze the following statement, "There are different rules of journalising of different types of accounts" K4 (12)

OR

"There are various accounting concepts." Examine every concept of accounting in brief. K4 (12)