

BUSINESS ECONOMICS AND FINANCIAL ANALYSIS
UNIT WISE IMPORTANT QUESTIONS

UNIT - IV

SHORT QUESTIONS

S.NO	QUESTIONS	CO	BL
1	Define Accounting Conventions.	CO4	BL1
2	Classify assets and liabilities based on their nature.	CO4	BL2
3	Find the total assets of a business given a list of items.	CO4	BL1
4	Choose the correct format for a Trial Balance from given options.	CO4	BL1
5	List the rules for recording transactions in the Journal.	CO4	BL1
6	Contrast revenue and capital expenditure with examples.	CO4	BL2
7	Develop a Journal entry for a cash sale transaction.	CO4	BL3
8	Select the correct accounts to be posted for a given business transaction.	CO4	BL3
9	Solve a Trial Balance problem by finding and correcting errors.	CO4	BL3
10	Explain the relationship between the Accounting Equation and the Balance Sheet.	CO4	BL2

LONG QUESTIONS

S.NO	QUESTIONS	CO	BL
1	Name the main books of accounts used in Double-Entry System and explain their purpose.	CO4	BL1
2	Illustrate the accounting treatment of an asset purchase transaction with journal entry and ledger.	CO4	BL2

3	Identify common errors in Trial Balance and how they can be rectified.	CO4	BL1																						
4	Experiment with sample transactions and prepare corresponding journal entries.	CO4	BL3																						
5	Construct a complete set of Final Accounts for a given business case study.	CO4	BL3																						
6	Outline the steps to be followed for posting entries into a Ledger.	CO4	BL2																						
7	Match the following accounting terms with their correct definitions: (e.g., Asset, Liability).	CO4	BL1																						
8	Relate the Accounting Equation to the principles of Double-Entry system.	CO4	BL1																						
9	Plan the steps to ensure accuracy while preparing a Trial Balance.	CO4	BL3																						
10	Illustration Jeyaseeli is a sole proprietor having a provisions store. Following are the transactions during the month of January, 2018. Journalise them. <table><thead><tr><th>Jan.</th><th>Rs.</th></tr></thead><tbody><tr><td>1 Commenced business with cash</td><td>80,000</td></tr><tr><td>2 Deposited cash with bank</td><td>40,000</td></tr><tr><td>3 Purchased goods by paying cash</td><td>5,000</td></tr><tr><td>4 Purchased goods from Lipton & Co. on credit</td><td>10,000</td></tr><tr><td>5 Sold goods to Joy and received cash</td><td>11,000</td></tr><tr><td>6 Paid salaries by cash</td><td>5,000</td></tr><tr><td>7 Paid Lipton & Co. by cheque for the purchases made on 4th Jan.</td><td></td></tr><tr><td>8 Bought furniture by cash</td><td>4,000</td></tr><tr><td>9 Paid electricity charges by cash</td><td>1,000</td></tr><tr><td>10 Bank paid insurance premium on furniture as per standing instructions</td><td>300</td></tr></tbody></table>	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	CO4	BL2
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