Course No: BSNE 1303 **Course Title: Principles of Accounting 1** **Date: 29/11/2016** **No. of Questions: (3)** **Time: 1hours** **Using Calculator (Yes)**	**University of Palestine** **Midterm Exam** **First Semester 2017/2016** **Total Grade:**	**Instructor Name: ______________** **Student No.: _________________** **Student Name: _______________** **College Name: Business & Finance** **Dep. / Specialist: Accounting** **Using Dictionary (No)**

Answer all the following questions

Question One: (3.5 Marks)

1 ( ) The main objective of cash discount is to enhance sales volume

2 ( ) Accountant must take in consideration the commercial discount

3 ( ) When the Legal Term of sales is FOB Destination, Freight expense must be paid by the seller

4 ( ) When the Legal Term of Purchases is FOB Destination, Freight expense must be paid by the buyer

5 ( ) Liabilities = Assets – Owners equity

6 ( ) Assets are all resources owned by the business

7 ( ) Trial Balance is a report that contains the balances of all account in the ledger

Question Tow: (1.5 Marks)

Contributions of the journal to the recording process

1 ……………………………………………………………………………………..

2 ……………………………………………………………………………………..

3 ……………………………………………………………………………………..

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Question Three: (10 Marks)

Company Nour Co. has the following transactions at January 2016

Jan. 1	Bought Goods 12000 units, $10 per unit (2%, 10) and paid $300 freight expense F.O.B.D
Jan. 2	Bought Furniture of $5000 on Account
Jan 3.	From J. 1 purchases, 500 units were turned back
Jan. 5	Paid the J. 1 purchases value
Jan. 7	Sold goods 10000 units, $16 per unit (1%, 8) and paid $200 freight expense F.O.B.D
Jan. 10	From Jan. 7 sales, goods of 300 units were turned back
Jan. 12	collected the values of J.7 sales
Jan. 15	Bought Goods of 10000 units, $10 per unit (2%, 7) and paid $200 freight expense F.O.B.S.P
Jan. 17	From J. 15 purchases, 1000 units were turned back
Jan. 18	Sold goods 7000units, $20 per unit (2%, 8)
Jan, 20	From J. 18 sales, 400 units were turned back
J. 22	Collected the values of J.18 sales
J. 25	Paid the value of J. 15 purchases

Required

You are required to:

1- Journalize transactions using Perpetual System

2- Prepare the Ledger page of Sales, Sales Return and Cost Of Goods Sold, T form

3 Calculate Gross Profit

***** Good Luck *****