

Daffodil International University
Faculty of Business and Entrepreneurship
Department of Business Administration
Program: BBA

Semester: Fall 2025
Time: 1.5 Hours
Course Code: ACT-405
Section: 62-A

Examination: Mid Term
Full Marks: 25
Course Title: Advanced Financial Accounting-1
Teacher's Name: DSFA

Answer all the questions

Qns.1:

- (a) Explain the reasons why a lessee prefers to enter into a lease agreement. [CLO 1, Level 2] [2]
(b) Explain the capitalization criteria for the lessor. [CLO 2, Level 2] [3]

Qns.2: Arhaan and Rohan entered into a joint venture to construct three flats in a building, each having a contract price of Tk.3,00,000. Arhaan contributed Tk.1,50,000, while Rohan contributed Tk.2,50,000, and the total amount was deposited into a joint bank account. The project expenses included the purchase of raw materials of Tk.1,20,000, salaries of Tk.50,000, an engineer's fee of Tk.20,000, and other expenses of Tk.15,000. Arhaan supplied additional raw materials of Tk.10,000. Rohan was entitled to a commission of 3% on the cost of raw materials available for use. Two flats were sold at contract price, and the third was taken by Arhaan at cost plus 2% profit. Profits and losses were to be shared between the co-venturers in the ratio of 2:1.

Instructions: Use the above information in preparing the journal entries and necessary ledger accounts. [CLO 3, Level 3] [5+5]

Qns.3: Ehan of Dhaka sent 500 cases of medicine of Tk.3,000 per case to Ramin of Netrokona on consignment basis. He paid Tk.6,500 as transportation, Tk.3,500 as packaging expense, and Tk.1,000 as insurance expense. The consignee reported that 400 cases of medicine were sold at Tk.4,500 per case and he paid Tk.3,000 as forwarding agent's expenses and Tk.2,000 as unloading expense. The consignee was entitled to receive 2% commission on sales. The consignor received cash of Tk.5,00,000 from consignee.

Instructions: Examine the information in preparing the journal entries and necessary ledger accounts in the books of consignor. [CLO 3, Level 4] [5+5]

*****All the Best*****