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

Semester: Summer-2025
Time: 2 Hours
Course Code: 0411-115
Section: 69-A/69-B/69-C/69-D/69-E

Examination: Final
Full Marks: 40
Course Title: Principles of Accounting
Teacher's Name: DSFA/MAH/RM

Answer all the Questions

Qns. 1:

(a) Explain different principles of accounting. [CLO 1 and Level 2] [2]

(b) Describe briefly the following: [CLO 1 and Level 2] [3]
i) Economic entity assumption, ii) Accrued revenue, iii) Compound entry

Qns. 2:

Malaika Company started operation at July 1, 2024. The trial balance of the company before adjustment was as under:

Malaika Company
Trial Balance
September 30, 2024

Accounts Title	Debit (Tk.)	Credit (Tk.)
Cash	54,500	
Accounts Receivable	6,000	
Prepaid Insurance	3,600	
Supplies	1,500	
Equipment	35,000	
Notes Payable		24,000
Accounts Payable		8,500
Unearned Service Revenue		6,000
Owner's Capital		47,000
Owner's Drawing	1,000	
Service Revenue		27,000
Salaries Expenses	4,600	
Utilities Expense	1,800	
Travel Expense	2,500	
Rent Expense	2,000	
Total	1,12,500	1,12,500

Additional data:

- Insurance expires at the annual rate of Tk.1,800.
- A count of supplies shows that 70% of supplies have been used.
- Depreciation on Equipment is Tk.200 per month. The equipment was purchased on July 1, 2024.
- The interest rate on note payable is 5%. The note was taken out on September 1, 2024.
- 60% of unearned service revenue has been earned.

Requirements:

(i) Examine the above information in preparing the adjusting entries. [CLO 3 and Level 4] [5]
(ii) Use the above information in preparing the worksheet. [CLO 2 and Level 3] [10]
(iii) Use the information of worksheet in preparing an Income Statement. [CLO 2 and Level 3] [2]
(iv) Use the information of worksheet in preparing an Owner's Equity Statement. [CLO 2 and Level 3] [2]
(v) Use the information of worksheet in preparing a Classified Balance Sheet. [CLO 2 and Level 3] [4]
(vi) Use the information of worksheet in preparing the closing entries. [CLO 2 and Level 3] [2]

Qns. 3: In April 2024, Arhaan Store completed the following merchandising transactions:

April 1	Purchased merchandise on account from Honesty Store of Tk.20,000, terms 2/10, n/30.
April 3	Sold merchandise on account to Azim Supply of Tk.12,000, terms 1/10, n/40. The cost of the merchandise sold was Tk.7,500.
April 8	Paid Honesty Store.
April 10	Received amount from Azim Supply.
April 12	Sold merchandise for cash of Tk.6,000. The cost of the merchandise sold was Tk.3,800.

Requirement: Use the above transactions in preparing the journal entries under perpetual inventory system.
[CLO 2 and Level 3] [5]

Qns. 4: Mr. Samawat opened his own software firm "Samawat Tech" on October 1, 2024. During October, the following transactions occurred:

October 1 Samawat contributed Tk.75,000 as initial investment to start the business.
5 Purchased supplies of Tk.3,000, paying 40% in cash.
9 Incurred advertising expense of Tk.1,500 on account.
12 Performed services of Tk.6,000 on account.
16 Paid Tk.500 for utilities.
25 Received Tk.3,500 cash for services performed on account on October 12.
30 Paid Tk.1,000 for October rent.

Requirement: Examine the effects of the above transactions on the accounting equation using the tabular format.
[CLO 3 and Level 4] [5]

All the Best