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

Semester: Fall 2025
Time: 2 Hours
Course Code: **0411-115**
Section:70-A/70-B/70-C/70-D/70-E/70-F/Retake

Examination: **Final**
Full Marks: **40**
Course Title: **Principles of Accounting**
Teachers' Name: DSFA/MAH/SK/RM/FAH/Tanjila

Answer all the Questions

Qns. 1:

Describe briefly the following: [CLO 1 and Level 2] **[5*1= 5]**

i) Going concern assumption, ii) Revenue recognition principle, iii) Periodic inventory system, iv) Permanent account, v) Zero balance

Qns. 2:

Arhaan Company started operation at April 1, 2025. The trial balance of the company before adjustment was as under:

Arhaan Company
Trial Balance
April 30, 2025

Accounts Title	Debit (Tk.)	Credit (Tk.)
Cash	62,000	
Accounts Receivable	8,500	
Prepaid Insurance	4,800	
Supplies	2,500	
Machine	30,000	
Notes Payable		22,500
Accounts Payable		6,000
Unearned Service Revenue		8,500
Owner's Capital		51,000
Owner's Drawing	2,000	
Service Revenue		32,000
Salaries Expenses	5,300	
Utilities Expense	1,700	
Repair Expense	2,200	
Rent Expense	1,000	
Total	1,20,000	1,20,000

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Additional data:

- Prepaid insurance represents a one-year policy that started on April 1, 2025.
- A count of supplies shows that Tk.1,500 of supplies have been used.
- Annual depreciation on machine is Tk.3,000. The machine was purchased on April 1, 2025.
- Interest of Tk.700 on the notes payable has accrued during April.
- 20% 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 March 2025, Azmery Store completed the following merchandising transactions:

March 1	Purchased merchandise on account from Rohan Store of Tk.25,000, terms 3/10, n/40.
March 4	Sold merchandise on account to Rahat Distributions of Tk.18,000, terms 2/10, n/30. The cost of the merchandise sold was Tk.10,000.
March 9	Paid Rohan Store.
March 12	Received amount from Rahat Distributions.
March 15	Purchased merchandise for cash of Tk.5,000.

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

Qns. 4: Mr. Adyan opened his own legal firm "Adyan Solution" on August 1, 2025. During August, the following transactions occurred:

August 1	Adyan invested Tk.90,000 cash to start the business.
August 3	Purchased furniture of Tk.30,000, paying Tk.22,000 cash and the balance on account.
August 13	Received cash of Tk.5,000 for providing legal services to the clients.
August 18	Incurred utilities expense of Tk.1,500 on account.
August 21	Paid Tk.2,000 to purchase supplies.
August 24	Paid Tk.500 cash to the accounts payable.
August 30	Paid Tk.1,000 for salaries.

Requirement: Examine the above transactions in preparing a tabular summary. [CLO 3 and Level 4] [5]

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All the Best