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

Semester: Spring-2025
Time: 2 Hours
Course Code: **0411-115**
Section: 68-A/68-B/68-C/68-D

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

Answer all the Questions

Qns. 1:

(a) Explain the types of adjusting entries with examples. [CLO 1 and Level 2] **[2]**

(b) Describe the following short notes: [CLO 1 and Level 2] **[3]**
Revenue recognition principle, Permanent account, Balance

Qns. 2:

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

Izna Company
Trial Balance
March 31, 2024

Accounts Title	Debit (Tk.)	Credit (Tk.)
Cash	46,000	
Accounts Receivable	7,500	
Prepaid Insurance	2,400	
Supplies	2,000	
Machine	30,000	
Notes Payable		20,000
Accounts Payable		4,500
Owner's Capital		40,500
Owner's Drawing	2,000	
Service Revenue		32,000
Salaries Expenses	2,500	
Utilities Expense	1,500	
Rent Expense	2,500	
Miscellaneous Expenses	600	
Total	97,000	97,000

Additional data:

- 60% of supplies are still on hand.
- Depreciation on Machine was Tk.3,000 per year.
- Interest of Tk.300 on the Notes Payable had been accrued during the period.
- Rent Expense of Tk.1,000 was accrued for March.
- Insurance expires at the rate of Tk.200 per month.

Instructions:

(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]**

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Qns. 3: Rohan Store completed the following merchandising transactions in the month of June 2024:

June 1	Purchased merchandise on account from Ehan Accessories of Tk.15,000, terms 3/10, n/45.
June 4	Sold merchandise on account of Tk.8,000, terms 2/10, n/30. The cost of the merchandise sold was 30% of sales.
June 9	Paid Ehan Accessories.
June 12	Received amount from customers billed on June 4.
June 15	Purchased merchandise of Tk.2,000 for cash.

Instruction: 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 consulting firm "Adyan Consulting Solution" on September 1, 2024. During September, the following transactions occurred:

September 1 Adyan invested Tk.75,000 to start the business.

4 Purchased furniture of Tk.15,000 (60% paid in cash).

8 Purchased supplies of Tk.2,000 for cash.

13 Performed services of Tk.5,000 cash.

17 Adyan invested an additional Tk.10,000 cash in the business.

21 Performed services of Tk.3,000 on account.

25 Withdrew Tk.2,000 from the business.

30 Paid salaries of Tk.1,500.

89 500

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

All the Best

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