BANGLADESH UNIVERSITY OF PROFESSIONALS
Military Institute of Science and Technology
B.Sc. in Environmental, Water Resources and Coastal Engineering, Term Final (Fall) Examination 2024: April 2025

Student Group: 36<Earned Credit Hours ≤ 72

Subject: GEA-201, Principles of Accounting

Time: 3.00 hours **Full Marks: 120**

INSTRUCTIONS:

a. Use **SEPARATE** answer scripts for each section.
b. **Question-1** in **Section-A** and **Question-5** in **Section-B** are compulsory.
c. Answer any **THREE** out of the remaining **FOUR** questions from each section.
d. Figures in the margin indicate full **marks**.
e. Assume reasonable data if necessary.
f. **Symbols** and **abbreviations** used have their usual meanings.

SECTION-A

Question 1 **(Compulsory)**

a. Who are the internal users and external users of accounting data? **3**

b. What is the monetary unit assumption and economic entity assumption? **3**

c. Joan Robinson opens her own law office on January 1, 2024. During the first month of operations, the following transactions occurred: **14**

1. Invested Tk. 10,000 in cash in the law practice.
2. Paid Tk. 800 for January rent on office space.
3. Purchased office equipment on account Tk. 3,000.
4. Provided legal services to clients for cash Tk. 1,500.
5. Borrowed Tk. 700 cash from a bank on a note payable.
6. Performed legal services for client on account Tk. 2,000.
7. Paid monthly expenses: Salaries Tk. 500; utilities Tk. 300; and telephone Tk. 100.

Requirement:
Prepare a tabular summary of the transactions.

Question 2 The following transactions are obtained from the books of Mr. Hafiz for the month of January, 2024:

January 1: Hafiz invested cash Tk. 2,00,000 and furniture Tk. 1,00,000 into business

January 5: Purchased office supplies for cash Tk. 30,000 and on account Tk. 20,000.

January 10: Received cash Tk. 1,00,000 for services provided.

January 20: Paid office rent Tk. 20,000 for the month.

January 25: Insurance paid in advance Tk. 5,000.

January 27: Paid salaries Tk. 25,000 for the month.

January 31: Hafiz withdrew Tk. 10,000 for personal use

Requirement:

(i) Prepare journal entries. 14
(ii)Prepare necessary Ledger accounts. 3
(iii)Prepare a trial balance at 31st January, 2024. 3

Question 3

a. Using the following information prepare adjusting entries in the books of Saiham Enterprise at the end of the year 2024:- 18

1. Prepaid insurance expired during the year Tk. 2,925.
2. Unused office supplies Tk. 425.
3. Estimated Depreciation of office equipment Tk. 5,500.
4. The unearned rent had been earned by the year Tk. 1,250.
5. Accrued rent revenue Tk. 900.
6. Wages not paid Tk. 700.
7. Property Taxes Tk. 500 are unpaid and unrecorded.
8. Interest on mortgage accrued but not paid Tk. 1,500.
9. House rent for one month Tk. 1,000 did not paid.

b. Explain in short, the accrual basis of Accounting. 2

Question 4 The following particular are extracted from the books of Sumon Traders relating to the year ended December 31,2024. 20

Trial Balance
31-12-2024

Accounts title	Debit(Tk.)	Credit(Tk.)
Cash	4,00,000	
Accounts Receivable	2,20,000	
Prepaid Insurance	1,80,000	
Supplies on hand	1,20,000	
Office Equipment	4,80,000	
Advertising Expense	4,00,000	
Accumulated Dep – office Equipment		40,000
Accounts Payable		60,000
Sumon's Capital		8,00,000
Sumon's Drawings	1,60,000	
Service Revenue		14,00,000
Advertising Expenses	80,000	
Rent Expenses	1,80,000	
Miscellaneous Expenses	80,000	
	23,00,000	23,00,000

Additional Information.
(i) The balance in the prepaid insurance account represents the best of a five year policy from 1st January, 2024 through December 31,2028;
(ii) Salaries payable is Tk. 20,000.
(iii)Depreciation on the office equipment Tk. 30,000 for the year.
(iv) Supplies on hand 31st December 2024. Tk. 30,000.

Requirement.

Prepare worksheet for the year ended 31st December, 2024.

SECTION-B

Question 5 (Compulsory)

a. Define (i) Indirect cost, (ii) Manufacturing overhead, (iii) Fixed cost, (iv) Distribution cost, (v) Sunk cost **05**

b. Beta company has the following costs and expenses data for the year ending 31 December 2024: **15**

Factory machinery rent	Tk. 14,000
General manager's salary	35,000
Finished goods inventory, Jan 1	12,500
Finished goods inventory, Dec 31	15,500
Administrative expenses	300,000
Direct Labor	250,000
Indirect labor	26,000
Raw materials used	325,000
Sales	15,30,000
Delivery expenses	50,000
Supplies, office	21,000
Work in Progress inventory, Jan 1	8,000
Work in Progress inventory, Dec 31	9,000
Advertising expense	85,000
Depreciation, office equipment	37,000
Depreciation, factory equipment	78,000
Utilities, factory	115,000

Requirements:

i) Prepare a schedule of cost of goods manufactured for Beta Company for 2024.

ii) Prepare an income statement for Beta Company for 2024.

Question 6

a. Discuss the trends in managerial accounting. **10**

b. Explain the distinguishing features for managerial accounting. **10**

Question 7

The following figures have been obtained from the records of Imprint Company for the year ended 31 December 2024. **20**

Direct materials	Tk. 200,000
Direct labor	125,000
Factory overhead	85,000
Administration overhead	75,000
Selling overhead	50,000
Distribution overhead	40,000
Profit	135,000

A work order has been executed in 2025 and the following expense have been incurred:

Direct materials	Tk. 4,000
Direct labor	3,000

Assume that in 2025, factory overhead has gone up by 15% distribution overhead has gone down by 10%, and administration overhead and selling overhead have gone up by 12%. Manufacturing overhead is based on direct labor, and other overheads are based on manufacturing costs.

Requirements:

i) Prepare a job cost sheet for all jobs in 2024.

ii) Prepare an estimated job cost sheet for the work order in 2025 if the company intends to earn the same rate of profit as in 2024.

Question 8 Techno Company produces smart watches. The following costs were incurred in April 2024 to produce and sell 1,600 units at Tk. 500/unit. **20**

	Variable (Tk.)	Fixed (Tk.)	Total(Tk.)
Cost of goods sold	500,000	130,000	630,000
Administrative Expenses	25,000	30,000	55,000
Selling Expenses	50,000	25,000	75,000
Distribution Expenses	30,000	20,000	50,000

Requirements:

i) Prepare a CVP income statement for the month ended April 30, 2024.

ii) Compute the contribution margin ratio.

iii) Compute Break Even Point (BEP) in unites.

iv) Determine the sale amount to earn net income of Tk. 175,000.