

ISLAMIC UNIVERSITY OF TECHNOLOGY (IUT)  
ORGANISATION OF ISLAMIC COOPERATION (OIC)

DEPARTMENT OF BUSINESS AND TECHNOLOGY MANAGEMENT

Mid-Semester Examination  
Course No. : HUM 4641  
Course Title : Accounting

Summer Semester, A. Y. 2022-2023  
Time : 1.5 hours  
Full Marks : 75

Answer all 3 (three) questions. All questions carry equal marks. Marks of each question and corresponding CO and PO are written in the right margin with brackets.

1. a) Explain accounting and users of accounting information with examples. 05 (CO1) (PO1)
- b) Describe monetary unit assumption and economic entity assumption with examples. 05 (CO1) (PO1)
- c) Trixie Maye started her own consulting firm, Matrix Consulting, on May 1, 2020. The following 15 (CO2) (PO11)
- transactions occurred during the month of May.
- May 1: Trixie invested \$7,000 cash in the business.
  - May 2: Paid \$900 for office rent for the month.
  - May 3: Purchased \$600 of supplies on account.
  - May 5: Paid \$125 to advertise in the County News Company.
  - May 7: Received \$4,000 cash for services performed.
  - May 8: Withdrew \$1,000 cash for personal use.
  - May 10: Performed \$5,400 of services on account.
  - May 12: Paid \$2,500 for employee salaries.
  - May 15: Paid for the supplies purchased on account on May 3.
  - May 16: Received a cash payment of \$4,000 for services performed on May 10.
  - May 20: Borrowed \$5,000 from the bank on a note payable.
  - May 22: Purchased equipment for \$4,200 on account.

**Instructions:**

Prepare a tabular analysis of transactions using the following accounts:

**Cash, accounts receivable, supplies, equipment, accounts payable, notes payable, owner's capital, owner's drawings, revenue and expense.**

2. Emily Valley is a licensed dentist. The business started on 1<sup>st</sup> April 2017. During the first month 25 (CO2) (PO11)
- of the operation of her business, the following events and transactions occurred.
- April 1 Invested \$20,000 cash in her business.
  - 2 Paid office rent for the month \$1,100.
  - 3 Purchased dental supplies on account from Dazzle Company \$4,000.
  - 10 Performed dental services and billed customers \$5,100.
  - 11 Received \$1,000 cash advance from Leah Mataruka for an implant.
  - 20 Received \$2,100 cash for services performed from Michael Santos.
  - 30 Paid secretary-receptionist for the month \$2,800.
  - 30 Paid \$2,400 to Dazzle for accounts payable due.

**Instructions:**

- I. Journalize the transactions.
- II. Post journal accounts to the ledger accounts.

3. The trail balance for the Zarin Inc. on March 31, 2017 is as follows:

Account titles	Dr	Cr
Cash	4500	
Accounts Receivable	3200	
Supplies	2000	
Equipment	11000	
Accumulated Depreciation-Equipment		1250
Accounts Payable		2500
Unearned Service Revenue		550
Owner's Capital		12900
Owners Drawings	1100	
Service Revenue		6300
Salaries and Wage Expense	1300	
Miscellaneous Expense	400	
Total	23500	23500

Other data:

1. A physical count reveals only \$480 of roofing supplies on hand.
2. Depreciation for March is \$250.
3. Unearned revenue amounted to \$260 on March 31.
4. Accrued salaries are \$700.

**Instructions:**

- a) Complete the worksheet for Zarin Inc.
- b) Prepare an income statement for March, 2017 and balance sheet on March 31, 2017.
- c) Journalize the closing entries from the financial statements.

13 (CO2)  
(PO11)  
08 (CO2)  
(PO11)  
04 (CO2)  
(PO11)