

Program: B.Sc. E.E.E. 8<sup>th</sup> Semester  
Semester: Summer

Date: May 21, 2024 (Tuesday)  
Time: 10:00 am – 1:00 pm

**ISLAMIC UNIVERSITY OF TECHNOLOGY (IUT)**  
ORGANISATION OF ISLAMIC COOPERATION (OIC)  
DEPARTMENT OF TECHNICAL AND VOCATIONAL EDUCATION (TVE)

Examination: Final Examination

Academic Year: 2022 - 2023

Course Number: Hum 4823

Full Marks: 150

Course Title: Sociology and Financial Accounting

Time: 3 Hours

There are 8 (eight) questions. Answer 6 (six) questions. 3 (three) questions from section A and 3 (three) questions from section B. The symbols have their usual meaning.

**Section A: Sociology**

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|----|----|--|----|-----|-----|
| 1. | a) | Define state and welfare state.  | 05 | CO1 |     |
|    | b) | Briefly narrate the views of Western philosophers like Machiavelli, Hobbs, Rousseau and Marx regarding the concept of state. | 10 | CO4 | PO6 |
|    | c) | Identify the functions of modern state with examples.  | 10 |     |     |
| 2. | a) | Discuss the nature of fundamental rights.  | 05 | CO2 |     |
|    | b) | Make a list of fundamental human rights enumerated in the Bangladesh constitution.   | 10 | CO3 | PO6 |
|    | c) | Elaborate the most three important fundamental human rights as a citizen of Bangladesh.                                      | 10 |     |     |
| 3. | a) | Enlist the major challenges of economic integration among Muslim countries.  | 05 | CO3 | PO6 |
|    | b) | Describe the benefits of economic integration among Muslim countries.  | 10 | CO4 | /   |
|    | c) | Briefly narrate Reasons for low economic integration among Muslim countries  | 10 |     | PO8 |
| 4. | a) | Does Islamic state exist? Substantiate with your arguments.  | 05 | CO2 |     |
|    | b) | Examine the Islamic perception regarding governance. Answer with Quranic reference.  | 10 | CO4 | PO8 |
|    | c) | Mention TEN significant articles of Medina charter representing democratic spirit.   | 10 |     |     |

**Section B: Financial Accounting**

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|----|---|--|--|--|-------------|
| 1. | Mr. Abrar opened Abrar's Cleaning Service on July 1, 2023. During July the following transactions were completed. |  |  |  | CO1,<br>CO2 |
|    | July 1  | Abrar invested \$10,00,000 cash in the business.                   |  |  |             |
|    | 3   | Purchased cleaning supplies for \$10,000 on account.               |  |  |             |
|    | 5   | Paid \$144,000 cash on one-year insurance policy effective July 1. |  |  |             |
|    | 12  | Billed customers \$160,000 for cleaning services.                  |  |  |             |
|    | 18  | Paid \$6,500 on amount owed on cleaning supplies.                  |  |  |             |
|    | 25  | Collected \$ 120,000 cash from customers billed on July 12.        |  |  |             |
|    | 31  | Paid gas and oil for month on truck \$5,500.                       |  |  |             |

**Required:**

- |    |    |  |    |             |    |
|----|----|--|----|-------------|----|
|    | a) | Journalize the July transactions. (You may omit explanations).   |    |             | 14 |
|    | b) | Post to ledger accounts using the standard account form.   |    |             | 06 |
|    | c) | Prepare a trial balance as on July 31, 2023.   |    |             | 05 |
| 2. | a) | Cox's Bazar Beach Motel adjusts and closes its accounts once a year on December 31. Most guests of the motel pay at the time they check out and the amounts collected are credited to 'rental revenue'. A few guests pay in advance for rooms and these amounts are credited to 'unearned rental revenue' at the time of receipt. The following information is available as a source for preparing adjusting entries at December 31, 2023. | 18 | CO1,<br>CO2 |    |

- (i) A one year bank loan in the amount of \$80,000 has been obtained on November 1. No interest has been paid and no interest expense has been recorded. The interest accrued at December 31 is \$ 1,600.
- (ii) On December 16, a suite of rooms was rented to a corporation for 6 months at a monthly rental of \$3,200. The entire 6 months' rent of \$19,200 was collected in advance and credited to unearned rental revenue. At December 31, the amount of \$1,600 representing one-half month's rent was considered to be earned and the remainder of \$17,600 was considered to be unearned.
- (iii) As of December 31, the motel has earned \$18,090 rental revenue from current guests who will not be billed until they are ready to check out.
- (iv) Salaries earned by employees at December 31, but not yet paid to \$11,640.
- (v) Depreciation on the motel for the year was \$51,250.
- (vi) Depreciation on the station wagon owned by the motel was based on a 4-year life. The station wagon was purchased on September 1 of this current year at a cost of \$12,600. Depreciation for four months should be recorded at December 31.
- (vii) On December 31, Cox's Bazar beach motel entered into an agreement to host the national shooter society's convention in June of next year. The motel expects to earn rental revenue of at least \$30,000 from the convention.

**Required:**

For each of the numbered paragraphs, draft separate adjusting entries if required. One or more of the above paragraphs may not require any adjusting entry.

- b) The trial balance of M/S Tonima Traders at December 31, 2023 shows Merchandise Inventory \$90,000, Sales \$3,00,000, Sales returns and allowances, \$10,000, Sales discounts \$6,000, Cost of goods sold \$150,000, Rental revenue \$12,000, Unearned rental revenue \$ 3,500, Freight-out \$2,500, Rent expense \$9,500, Prepaid expenses \$50,000, Salaries and wages expenses \$75,000 and Drawing \$4,200.

**Required:**

Prepare the closing entries for the above accounts.

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- 3. The following is the Trial Balance of M/S Hassan Traders as at December 31, 2023:

25 CO3

**M.S HASSAN TRADERS**  
**Trial Balance**  
**December 31, 2023**

Accounts Titles	Debit	Credit
Buildings	\$7,00,000	
Furniture & Fittings	1,00,000	
Purchases and Sales	5,00,000	\$12,19,000
Inventory (01-01-2023)	2,00,000	
Allowance for Bad Debts		10,000
10% Loan (01-07-2023)		40,000
Account Receivable	3,00,000	
Accounts Payable		4,47,000
Salaries Expense	1,00,000	
Advertising Expense	21,000	
Carriage Outward	6,000	
Stores Expense	2,00,000	
General Expense	65,000	
Rent Income		10,000
Delivery Expense	4,000	
10% Investment	50,000	
Hassan, Capital		6,00,000
Hassan, Drawing	30,000	
Bank Balance	50,000	
<b>Total</b>	<b>\$23,26,000</b>	<b>\$23,26,000</b>

**Additional information:**

- (i) Ending inventory was valued at \$2,25,000, which includes goods worth \$25,000 sold but not yet delivered to the customer.
- (ii) Credit sales of \$2,000 has not been recorded in the books.
- (iii) Hassan has withdrawn goods worth \$3,000 for his personal consumption for which there is no record in the books.
- (iv) Write off \$6,000 as bad and make an allowance for bad debts at 5% on remaining accounts receivable.
- (v) Rent not yet received amounted to \$12,000.
- (vi) Accrued interest on investment amounts to \$2,500.
- (vii) Furniture and fittings to be depreciated @ 5%.

**Required:**

Prepare a multiple-step income statement for the year ended December 31, 2023.

4. a) On January 1, 2022, Miyako Electronics Company, an electronic tool manufacturer, acquired a piece of new industrial equipment for \$120,000. The equipment had a useful life of 8 years and salvage value was estimated to be \$ 20,000 and its total production of electronic tools is estimated 48,000 units. Miyako Company estimated that the new equipment can produce 10,000 electronic tools in its first year. It estimates that production will decline by 1,000 units per year over the remaining life of the equipment.

13 CO4

The straight-line, units of output, double declining balance, and sum-of-the-years' digits methods may be used for calculating the depreciation.

**Required:**

- (i) Which depreciation method would minimize net income for income tax reporting for the two years period ending December 31, 2023?
- (ii) Which depreciation method would maximize net income for financial statement reporting for the two years period ending December 31, 2023?

- b) You are provided with the following information for Bexi Fabrix Ltd. for the month ended October 31, 2023. The company uses a perpetual method for inventory.

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<u>Date</u>	<u>Description</u>	<u>Units</u>	<u>Unit Cost or Selling Price</u>
October 1	Beginning inventory	60	\$24
October 9	Purchase	120	26
October 11	Sale	100	35
October 17	Purchase	70	27
October 22	Sale	65	40
October 25	Purchase	80	28
October 29	Sale	120	40

**Required:**

Calculate ending inventory and cost of goods sold under the FIFO and Average-cost methods.