International Islamic University Chittagong
Department of Electrical and Electronic Engineering

Final Examination Autumn-2018 Program: B.Sc. Engg. (EEE)
Course Code: ACC 2401 Course Title: Financial & Managerial Accounting
Time: 2 hours 30 minutes Full Marks: 50

Part A

[Answer any *two* questions from the followings; figures in the right margin indicate full marks.]

1(a). Differentiate between adjusted and non-adjusted trial balance. **2**

1(b). The Trial balance of A&J Consortium Company Ltd at March 31 of the current year & the data needed for the month- end adjustments follow:

A&J COMPANY LTD
Unadjusted Trial Balance
March 31, 2014

	Dr(Tk)	Cr(Tk)
Cash	24800	
Accounts receivable	2250	
Supplies	700	
Prepaid rent	3000	
Furniture	26500	
Accumulated depreciation		10000
Accounts payable		13100
Unearned service revenue		450
Capital		31250
Drawings	3200	
Service revenue		7000
Salary expense	950	
Utilities expense	400	
Total	61800	61800

Adjustment data:

a) Accrued service revenue Tk 650
b) Supplies on hand Tk 500
c) Prepaid rent expired Tk 2000
D) Depreciation on Furniture Tk 300
e) Accrued salary expense Tk 1,200
f) Amount of unearned service revenue that has been earned Tk 350
Required: Prepare the adjusted trial balance. **8**

2. **SURE SALE REALTY COMPANY** **10**

Trial balance
December 31, 2015

Particular	Dr(£)	Cr(£)
Cash	62,800	
Accounts receivable	1,17,120	
Prepaid rent	46,080	
equipment	1,73,760	
Accumulated depreciation-equipment		21,120
Account payable		62,400

The additional Reality Company follows : following data are for Sure Sale are as

Unearned revenue		49,920
Capital		96,000
Drawings	46,080	
Commission revenue		6,53,200
Salary expense	3,21,600	
Travel expense	96,480	
Misalliance expense	18,720	
Total	8,8[illegible]	8,82,640

Adjustment data:

(i) The equipment has an expected life of 10 years with no salvage value.
(ii) Prepaid rent expired for the year One third of total amount.
(iii) Accrued salaries are [illegible] [illegible]20.
(iv) Travel exper[illegible] [illegible]t unreimbursed to sales staff at December 31 were $ 17[illegible]

Requir[illegible]:

1) Prepare adjusting journal entries for given a[illegible]ustment data.
2) Prepare the adjusted trial balance at Decem[illegible] [illegible], the end of the company's fiscal year.

3.

The trial balance of **Florida Time Shar[illegible]** at June 30,2017, the end [illegible] company's fiscal year and adjustme[illegible]

Adjustment data:

(i) Suplie[illegible] June 2017 totaled £380.
(ii) Insur[illegible] expired for the year totaled £315.
(iii) Yearly depreciation for office equipment totaled £4,950.
(iv) Salary ac[illegible]ued but yet to be paid as at 30 June is £440.
(iv) [illegible]vice revenue accrued but yet to be recorded totaled £1,000.
[illegible] [illegible] 30 June totaled £750.

Florida Time Share Property
Trial balance
June 30, 2017

Required: Complete *Florida Time Share Property* worksheet for the year ended June 30,2017.

Particular	Dr(£)	Cr(£)
Cash	3,425	
Accounts receivable	7,000	
Supplies	1,270	
Insurance Prepayment	620	
Office equipment	51,650	
Accumulated depreciation-office equipment		9,700
Salary payable		925
Unearned revenue		1,250
Notes payable		29,000
Capital		36,710
Drawings	5,200	
Service revenue		22,415
Salary expense	30,835	
Total	1,00,000	1,00,000

Part B

[Answer any *three* questions from the followings; figures in the right margin indicate full marks.]

4. The following cost and inventory data for the just completed year are taken from the accounting records of FUWANG CEREMIK Company: 10

Required: Prepare Cost of goods sold statement for the year 2011.

Particular	$	
Sales commission	35,000	
Utilities, factory	9,000	
Maintenance, factory equipment	24,000	
Supplies, factory	700	
Advertising expense	1,00,000	
Direct labor	90,000	
Purchase of raw materials	1,32,000	
Rent, factory building	80,000	
Indirect labor	56,300	
Depreciation – Office equipment	8,000	
Depreciation – factory equipment	40,000	
Inventories:	December 31, 2010	December 31, 2011
Finished goods	7,000	25,000
Materials	8,000	10,000
Work in process	5,000	20,000

5. Smart Company sells a single product. The company's sales & expenses for a recent month as follows: 10

Particular	Total	Per Unit
Sales	$ 600,000	$ 40
Less: Variable expenses	$ 420,000	$ 28
Contribution margin	$ 180,000	$ 12
Less : fixed expense	$ 150,[illegible]	
Net operating income	$ 30,000	

Required:

a) What is the monthly break -event point in units sold & in sales dollars?

b) Without resorting to computa[illegible], what·is the total contribution margin at the break–even point?

c) [illegible] units would have to be sold each month to earn a minimum target [illegible] & $19,500?

d) Refer to the original data. Compute the com[illegible] margin of safety in both Dollar & percentage terms.

6. Peak sales for Midwest Products, Inc. occur in August. The company's sales budget for the third quarter showing these peak sales is given below: **10**

	July	August	September	Total
Budgeted sales	$600,000	$900,000	$500,000	$2,000,000

From past experience, The company has learned that 20% of a month's sales are collect[illegible] the month of sale, that another 70% is collected in [illegible] the remaining 10% is colle[illegible] [illegible] negligible and can be ignored. M[illegible] and June sales tot[illegible]

[illegible]

1) Prepare a schedule of expected cash collections from sales. by month and [illegible] third quarter.

2) Assume that the company will prepare a budgeted balance [illegible] ber 30. Compute the accounts receivable as of that date.

7 The following cost and inventory data for the just completed yea[illegible] from the accounting records of RIFATH Company:

Supplies, factory		$ 700
Advertising expense		100000
Sales commission	35000	
Utilities, factory		9000
Maintenance, factory equipment		24000
Direct labor		90000
Purchase of raw materials		132000
Rent, factory building		80000
Indirect labor		56300
Depreciation – Office equipment	8000	
Depreciation – factory equipment	40000	

Inventories:	September 30, 2012	September 30, 2013
Materials	$8000	$10000
Work in process	5000	20000
Finished goods	70000	25000

Required: **10**

Prepare Cost of goods sold statement for the fiscal year September 30, 2013.