

International Islamic University Chittagong
Department of Electrical and Electronic Engineering

Final Assessment Autumn-2020

Program: B.Sc. Engg. (CSE)

Course Code: **ACC-2401**

Course Title: Financial and Managerial Accounting

Time: **5 hours** (Writing -**4 hours 30 minutes** + **30 minutes** submission time)

Full Marks: **50 (Written 30 + Viva/Viva-Quiz-20)**

[Answer **each of the** questions from the followings; Figures in the right margin indicate full marks. **Answer script must be submitted through online method within 5 hours from starting time. Also, write down the Q. Set on the front page of your answer script]**

1(a).

ALIF MOTORS
 Trial balance
 December 31, 2018

CO3 An 06

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		Student ID
Capital		34,875
Drawings	5,200	
Service revenue		22,415
Salary expense	Student ID	
Total	=====	=====

Following additional data as follows :

Adjustment data:

- (i) Supplies on hand as at December 31, 2018 totaled \$380.
- (ii) Insurance premium expired for the year totaled \$315.
- (iii) Yearly depreciation for office equipment totaled \$4,950.
- (iv) Salary accrued but yet to be paid as at December 31 is \$440.
- (iv) Service revenue accrued but yet to be recorded totaled \$1,000.
- (vi) Unearned revenue as at December 31 totaled \$750

Required:

- 1) Prepare adjusting journal entries for given adjustment data.
- 2) Prepare the adjusted trial balance at December 31,2018, the end of the company's fiscal year.

2(a). The trial balance of **M.T. ENTERPRISE** at June 30,2019, the end of the company's fiscal year and adjustment data as follows:

CO2 AP 06

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 £ 11,520.
- (iv) Travel expenses accrued but unreimbursed to sales staff at December 31 were £ 17,280
- (v) Unearned revenue still unearned as at 30 June totaled £250

Royal Shoe
Trial balance
June 30, 2017

	Dr(£)	Cr(£)
Cash	19130	
Accounts receivable	5440	
Supplies	1520	
Prepaid Rent	4600	
Land	20000	
Office equipment	3600	
Accounts payable		1800
Unearned revenue		480
Notes payable		15000
Capital		30000
Drawings	8000	
Revenue		33680
Utility payable		Student ID
Salary expense	9050	
Rental expense	3200	
Utility expense	1970	
Supplies expense	4080	
Sundry expense	910	
Rent expense	200	
Travel expense	Student ID	
Rental revenue		240
Salary payable		500
Depreciation expense	100	
Accumulated depreciation		100
Total	=====	=====

Required: Complete **M.T. ENTERPRISE** Financial Statement for the year ended June30,2019.

3(a).

MANS ENGINEERINGAdjusted Trial Balance
as at 31 December 2020**CO2 U,R 06**

Particular	Dr(\$)	Cr(\$)
Cash	90,000	
Accounts receivable	20,000	
Interest Receivable	200	
Notes Receivable	4,000	
Prepaid Insurance	960	
Prepaid Rent	2,400	
Supplies	1,520	
Equipment	60,000	
Depreciation- Equipment		12,500
Buildings	1,40,000	
Depreciation- Buildings		15,000
Land	56,240	
Accounts payable		60,920
Notes Payable		Student ID
Tax Payable		Student ID
Interest payable		750
Salaries payable		7,000
Unearned revenue		20,200
Capital		1,00,000
Drawings	40,000	
Service revenue		3,60,000
Advertising expense	1200	
Salary expense	1,50,000	
Rental expense	Student ID	
Supplies expense	2,280	
Office expense	Student ID	
Interest expense	750	
Insurance expense	1,920	
Dep. expense- Equipment	2,100	
Dep. expense- Building	3,000	
Interest revenue		200
Total	=====	=====

Required: Worksheet of **MANS ENGINEERING** for the year ended 31 December 2020.

4(a). Peak sales for Tortilla Foods Company occur in August. The company's sales budget for the third quarter showing these peak sales is given below:

CO2 AN 06

	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 collected in the month of sale, that another 70% is collected in the month of following sale, and that the remaining 10% is collected in the second month following sale. Bad debts are negligible and can be ignored. May sales totaled \$430,000, and June sales totaled \$540,000.

Required:

- 1) Prepare a schedule of expected cash collections from sales. By month and in total, for the third quarter.
- 2) Assume that the company will prepare a budgeted balance sheet as of September 30. Compute the accounts receivable as of that date.

5(a). Convoy Manufacturing Company sells a single product. The company's sales & expenses for a recent month as follows:

CO3 R, 06
AN

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

Required:

- a) What is the monthly break -event point in units sold & in sales dollars?
- b) Without resorting to computation, what is the total contribution margin at the break-even point?
- c) How many units would have to be sold each month to earn a minimum target profit of \$18,000 & \$19,500?
- d) Refer to the original data. Compute the companies margin of safety in both Dollar & percentage terms.

6. **Viva/Viva-Quiz: The time of viva/viva-quiz will be declared in google classroom.** CO2 R, 20
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Name and Designation:
A.B.M. YASIR ARAFAT
LECTURER, Dept. of CSE, IIUC.