

Daffodil International University

Quiz-1

Principles of Accounting

Semester: Spring 2025

Total Marks 15

Date: 06 February 2025

Section A: Theory Questions (6 marks total, 2 marks each)

1. Define accounting and explain its main objectives.
2. What are assets and liabilities? Give one example of each.
3. Financial statements are essential for decision-making. Explain the purpose of each of the three main financial statements and discuss how they help different users (e.g., investors, managers, creditors) in making business decisions.

Section B: Practical Questions (9 marks total)

4. Analyze the effect of the following transactions on the **Accounting Equation** ($Assets = Liabilities + Owner's Equity$). Indicate whether each account increases, decreases, or remains unchanged. (Each transaction carries 1 mark) (3 marks)
 - o The owner invested \$10,000 in cash into the business.
 - o Purchased equipment for \$4,000 on credit.
 - o Paid rent of \$1,200 in cash.
5. Consider the following business activities and their impact on the **Accounting Equation**. Prepare the **Income Statement** and **Balance Sheet** based on these transactions:
 - Took a loan of \$7,000 from the bank.
 - Purchased equipment for \$3,000 on credit.
 - Provided services for \$8,000, receiving \$4,000 in cash and the rest on account.
 - Paid \$2,000 in cash for office supplies.
 - Paid \$1,000 in rent.
 - Owner withdrew \$1,500 for personal use.

Instructions:

- Analyze how each transaction affects **Assets, Liabilities, and Owner's Equity**. 3 marks
- Prepare the **Income Statement** and **Balance Sheet** based on the results. 3 marks

Daffodil International University

Quiz-2

Principles of Accounting

Semester: Spring 2025

Time: 40 minutes

Total Marks 15

Date: 23 February 2025

Question 1 (10 Marks)

cash Owners capital

ABC Ltd. started its business on January 1, 2024, with an initial investment of \$50,000 from the owner. During the first month of operations, the company performed the following transactions:

1. On January 2, purchased office equipment for \$12,000 on credit. *equipment Accounts payable*
2. On January 5, paid \$3,000 for rent for the month. *cash(-) expense(-)*
3. On January 7, earned \$25,000 in revenue, out of which \$18,000 was received in cash, and the rest was on account. *cash 18000 Accounts receivable 7000 revenue 25000*
4. On January 9, hired 5 employees for \$5000 to be paid on January 26, 2024. *no transaction*
5. On January 20, paid \$7,000 to suppliers for accounts payable. *cash(-) Accounts payable 7000*
6. On January 26, paid \$5,000 for salaries. *cash(-) expense(-)*

Requirements:

- a) What are assets and liabilities? Give one example of each. (2 Marks)
- b) Prepare the Income Statement for ABC Ltd. as of January 31, 2024. (3 Marks)
- c) Prepare the journal entries for the above transactions. (5 Marks)

Question 2 (5 Marks)

XYZ Ltd. had the following transactions on April 1, 2024:

1. Purchased office supplies for \$2,500 in cash. *cash(-), supplies*
2. Received \$4,000 from a customer for services performed. *cash, revenue*
3. Paid \$3,000 for employee salaries. *cash(-) expense*
4. Purchased equipment for \$5,500 on credit. *equipment Accounts payable*
5. Paid \$800 for advertising expenses. *cash(-), expense*

Requirement:

- a) Show the Transaction Analysis for the above events in the accounting equation (2 Marks)
- b) Prepare the journal entries to record the above transactions. (3 Marks)



Daffodil International University

Faculty of Science & Information Technology

Department of Computing and Information System

Quiz 03, Spring-2025

Course Code: ACC213 Course Title: Principles of Accounting

Total Marks: 15

Date: 12 April 2025

1. Answer all of the following Questions

DIXON COMPANY Worksheet

For the Month Ended June 30, 2017

Trial Balance Account

Titles	Dr.	Cr.
Cash	2,320	
Accounts Receivable	2,440	
Supplies	1,880	
Accounts Payable		1,120
Unearned Service Revenue		240
Owner's Capital		3,600
Service Revenue		2,400
Salaries and Wages Expense	560	
Miscellaneous Expense	160	
	<u>7360</u>	<u>7360</u>

Other data:

1. A physical count reveals \$500 of supplies on hand.
2. \$100 of the unearned revenue is still unearned at month-end.
3. Accrued salaries are \$210.

Instructions

- (a) Prepare a complete worksheet. (7 marks)
- (b) Prepare a classified balance sheet. (Note: \$10,000 of the mortgage note payable is due for payment in the next fiscal year.) (3marks)
- (c) Journalize the adjusting entries using the worksheet as a basis. (2marks)
- (d) Journalize the closing entries using the worksheet as a basis. (3marks)