Daffodil International University
**Faculty of Science & Information Technology**
**Department of Software Engineering**
**Final Examination, Summer 2026**
**Course Code: GE 235; Course Title: Principles of Accounting, Business and Economics**
**Sections & Teachers: 44 A, B (MMM), 44 C, D, E, F (MTH), 44 G, H, I, J (NN)**

**Time: 2:00 Hrs** **Marks: 40**

## Answer ALL Questions

*[The figures in the right margin indicate the full marks and corresponding course outcomes. All portions of each question must be answered sequentially.]*

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<tr>
<td rowspan="2">1.</td>
<td>a) Mr. Alam started his consulting firm on June 1, 2026. During the first month of operation, the following transactions occurred:<br><br>1. Investment by the owner: cash Tk. 1,80,000 and equipment Tk. 40,000 in the business.<br>2. Purchased equipment for Tk. 30,000, paying Tk. 18,000 cash and the remainder on account.<br>3. Service performed for cash Tk. 32,000 & billed to the customer for Tk. 20,000.<br>4. Received Tk. 15,000 for the amount due in transaction (3).<br>5. Monthly expenses on account: Salaries and wages Tk. 25,000, utilities Tk. 9,000 and advertising Tk. 4,000.<br>6. Withdrew cash Tk. 10,000 by the owner.<br>7. Paid Tk. 6,000 on account in transaction (2).<br><br>Instructions:<br>Summarize the above transactions by preparing a tabular summary.</td>
<td>Marks: 6</td>
<td rowspan="2">CLO-1<br>Level-2</td>
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<td>b) Dhaka Digital Solutions was started by Ms. Bristi on October 1, 2025. The following events and transactions occurred during the month:<br><br>Oct 1 Bristi invested Tk. 1,50,000 cash and Tk. 30,000 furniture in the business.<br>Oct 3 Purchased Equipment for cash Tk. 18,000 & Tk. 12,000 on account.<br>Oct 6 Incurred advertising expenses of Tk. 3,200 on account.<br>Oct 10 Hired an assistant at a salary of Tk. 20,000 per month.<br>Oct 14 Paid Tk. 7,200 cash for a one-year insurance policy.<br>Oct 18 Withdrew Tk. 3,000 cash for personal use.<br>Oct 28 Performed services for cash Tk. 38,000 and billed to the customer for Tk. 14,000 on account.<br>Oct 30 Paid Tk. 2,000 on account for advertising expense incurred on Oct 6.<br><br>Instructions:<br>i) Generalize the above transactions by journalizing them.<br>ii) Elaborate ledger entries for: (A) Cash (B) Service Revenue</td>
<td>Marks:<br>4 + 4</td>
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|---|---|---|---|
| **2.** | The following is the trial balance of TechHive Solutions as of December 31, 2025: | **Marks:** 8 + 4 | **CLO-2** *Level-3* |

**TechHive Solutions**
Trial Balance
December 31, 2025

| S/N | Particulars | Debit (Tk.) | Credit (Tk.) |
|---|---|---|---|
| 1 | Cash | 55,000 | |
| 2 | Supplies | 4,200 | |
| 3 | Prepaid Insurance | 14,000 | |
| 4 | Land | 1,30,000 | |
| 5 | Furniture | 28,000 | |
| 6 | Accounts Payable | | 19,500 |
| 7 | Unearned Revenue | | 13,600 |
| 8 | Mortgage Payable | | 90,000 |
| 9 | Owner's Capital | | 97,000 |
| 10 | Owner's Drawing | 6,000 | |
| 11 | Service Revenue | | 85,000 |
| 12 | Repair Expense | 4,100 | |
| 13 | Salaries Expense | 48,000 | |
| 14 | Utility Expense | 15,800 | |
| | Total | 3,05,100 | 3,05,100 |

The following adjustments are pertaining to TechHive Solutions :

(a) Supplies of Tk. 1,500 remained unused on December 31, 2025.
(b) Insurance premium of Tk. 700 expired during the period.
(c) Depreciation expense on furniture is Tk. 2,800 per year.
(d) Interest on the mortgage payable is 9% per annum.
(e) Unearned revenue of Tk. 9,600 remains unearned as of December 31, 2025.

**Instructions:**
a) Generate a worksheet on December 31, 2025.
b) Prepare closing journal for the entries.

| | | | |
|---|---|---|---|
| **3.** | Differentiate among the sole proprietorship, partnership, and company forms of business organization. | **Marks:** 4 | **CLO-3** *Level-2* |
| **4.** | a) Interpret the concept of opportunity cost with suitable example. | **Marks:** 4 + 6 | **CLO-4** *Level-5* |

b) DIU Company produces only Electric Bicycles and Refrigerators. Given that -

Total available labor hours = 120,000 hours
Producing 1 Electric Bicycle requires 60 labor hours
Producing 1 Refrigerator requires 240 labor hours

**Required:**
i) Determine the Production Possibility Frontier (PPF) and the slope of the PPF.
ii) If refrigerator production increases by 15 units, determine the reduction in electric bicycle production.
iii) Assess the production combination of 1,200 Electric Bicycles and 150 Refrigerators and justify whether it represents an efficient, inefficient, or unattainable allocation of resources.