

ACT201 with Saif: (1) Accounting in

Action

Total points 27/100

Schedule: Sundays & Tuesdays

Sessions, Timing & Room:

1. Sun 5:30pm (Room:096-311) & Tue 3:30pm (Room:096-311)

2. Sun 3:30pm (Room:096-311) & Tue 3:30pm (Room:096-311)

3. Sun 3:30pm (Room:096-311) & Tue 3:30pm (Room:096-311)

Tutorial Session: Sun 5:00pm (Room:07A-08C)

Tutor: Dr. Saif Hossain

Disclaimer:

"Language of Business" - says who?

Accounting is the language of business.

—William Buffett—

Section 1.1 Introduction

Instructor: Saif Hossain, Assistant Professor & Director (BBA Program), BBS, BRACU & Entrepreneur (details)

1.1) Your Name *

Ahnan Mohammad Hafiz

✖ 1.2) Your student ID *

Writing student ID incorrectly will result in the dismissal of the entire submission

23241004

✖ 1.3) Your student ID (re-enter) *

Writing student ID incorrectly will result in the dismissal of the entire submission

23241004

1.4) The course outline:

Click here

https://docs.google.com/document/d/15dazabst...7X03d8MyE612p4Acpple/edk7up-qme_inh4u4dF1172963D249C74896795d9qof-muadst-rue

1.5) Match the statement with the appropriate chapters

	1 Accounting in Action	2 The Recording Process	3 Adjusting the Accounts	4 Completing the Accounting Cycle	5 Accounting for Merchandising Operations	6 Accounting for Long- term Assets
A real life survival guide to keeping your cash from pulling a disappearing act? Learn to classify, categorize, and finally answer the age-old question: "Where did all the money go?" Warning: May induce strong feelings about Free Cash Flow.	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Because your buildings and machines deserve more than just a "thank you!" We'll explore depreciation—aka, why your car's value drops faster than your enthusiasm for cardio. It's all about stretching those costs like your budget for a Friday night out.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Debits, credits, and more steps than a complicated dance routine. We'll journal the entire day—keeping accounts, hit the ledger like rockstars, and balance those trials like tightrope walkers. And yes, correcting errors is like "Oop, I did it again!"	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Like a Netflix series, accounting has a season finale too! Close the books, wrap up those storylines, and prep for next season with closing balance sheets. Spoiler alert: There's a happy ending...if you get the balance right.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Think of it as speed-dating with stocks—corrosion, preferred, treasury—you'll meet them all! Learn why corporations are like teenagers (they think they're invincible) and how stockholders can be like the parents holding the purse strings.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Time flies, but accounting straps on top of it why wait for the new year to make adjustments when you can do it now? Master the art of accruals, where we bend time to make sure the numbers tell the right story.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Welcome to the accounting supermarket, where we explore the difference between selling advice and selling apples. Learn to keep track of stock-like assets, hoarding the latest video game console, and don't forget: Gross profit isn't what happens when you split coffee on your balance sheet.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
What's the difference between a small shop and a corporate giant? About a thousand pages of financial statements! We'll delve into the world of corporate earnings and learn how to make the money look as good as their boardroom presentations.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Where accounting learns to walk before it runs! Dive into the basics and analyze business transactions like a detective solving the case of "Where Did All My Money Go?"	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Correct answers

	1 Accounting in Action	2 The Recording Process	3 Adjusting the Accounts	4 Completing the Accounting Cycle	5 Accounting for Merchandising Operations	6 Accounting for Long- term Assets
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Where accounting learns to walk before it runs! Dive into the basics and analyze business transactions like a detective solving the case of "Where Did All My Money Go?"	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

1.6) Book & Solutions:

Click here

https://www.google.com/drive/folders/1XhnpwF8t8m3A6GDL7Y12m4DgK7up-drive-link

Section 2: Accounting Basics

✓ 2.1) Discussion Points:

a) What is accounting and why is it important?

b) Key terms: assets, liabilities, owner's equity

c) Cash Basis VS Accrual Basis

d) Components of Owner's Equity

e) Transaction Analysis

f) Four Financial Statements

OK

Basic Accounting Equation

The Basic Accounting Equation

Assets = Liabilities + Owner's Equity

✓ 2.2) Which of the following best defines accounting?

A. The process of managing a company's cash flow and inventory.

B. The recording, summarizing, and analyzing of financial transactions of a business.

C. The creation of business plans and strategies.

D. The management of employee performance and payroll.

✓ 2.3) Which of the following is an example of an asset?

A. Loan payments due

B. Cash in hand

C. Utility bills

D. Rent expense

✓ 2.4) In cash accounting, when are revenues and expenses recorded?

A. When they are incurred, regardless of payment.

B. Only when a profit is made.

C. When the cash is actually received or paid.

D. At the end of the financial year.

✓ 2.5) What term describes the total amount of money a business earns from selling goods or services?

A. Income

B. Liability

C. Equity

D. Expense

✓ 2.6) After a long day of balancing books, you discover that Owner's Equity is like a plant. What does it need most to grow?

A. Regular water and sunlight

B. A healthy diet of revenues and a strict diet avoiding expenses

C. Encouraging words from the accountant

D. A dance-off with the liabilities

✓ 2.7) Which accounting method records income and expenses when they are incurred, even if cash hasn't been exchanged?

A. Inventory accounting

B. Cash accounting

C. Accrual accounting

D. Expense accounting

✓ 2.8) A business has total assets of 100,000 BDT and total liabilities of 40,000 BDT. What is the owner's equity according to the basic accounting equation?

A. 100,000 BDT

B. 140,000 BDT

C. 40,000 BDT

D. 60,000 BDT

✓ 2.9) Owner's Equity includes

A. Expenses + Revenues - Drawings - Capital

B. Capital - Drawings + Revenues - Expenses

C. Capital + Drawings + Revenues - Expenses

D. Capital - Revenues + Expenses - Drawings

2.10) Classify the following items into the correct category: Asset, Liability, Owner's Equity

	Asset	Liability	Owner's Equity	Score
Sales Revenue	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	1/1 ✓
Accounts Payable	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	1/1 ✓
Office Furniture	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	1/1 ✓
Interest Payable	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	1/1 ✓
Rent Expense	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	1/1 ✓
Inventory	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	1/1 ✓
Cash	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	1/1 ✓
Loan from Bank	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	1/1 ✓
Equipment	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	1/1 ✓
Raw Materials	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	1/1 ✓
Wages and Salaries Expense	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	1/1 ✓
Wages and Salaries Payable	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	1/1 ✓
Mortgage Payable	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	1/1 ✓
Vehicle	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	1/1 ✓
Interest Income	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	1/1 ✓
Advertising Expense	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	1/1 ✓
Prepaid Rent	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	1/1 ✓
Owner's Capital	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	1/1 ✓
Utilities Expense	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	1/1 ✓
Bank Overdraft	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	1/1 ✓
Land	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	1/1 ✓
Tax Expense	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	1/1 ✓
Taxes Payable	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	1/1 ✓
Accounts Receivable	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	1/1 ✓
Supplies	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	1/1 ✓
Drawings	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	1/1 ✓
Unearned Revenue	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	1/1 ✓

2.11) Transaction Analysis

Maisie Taft started her own consulting firm, Maisie Consulting, on May 1, 2020. The following transactions occurred during the month of May.

- May 1 Maisie invested \$7,000 cash in the business.
- May 2 Paid \$900 for office rent.
- May 3 Purchased \$800 of supplies on account.
- May 4 Paid \$125 for advertising in the County News.
- May 5 Received \$4,000 cash for services performed.
- May 12 Withdrew \$1,000 cash for personal use.
- May 15 Performed \$6,400 of services on account.
- May 17 Paid \$2,500 for employee salaries.
- May 19 Hired an employee for \$500 a week who will start working from July 2020.
- May 20 Made a partial payment of \$600 for the supplies purchased on account on May 3.
- May 23 Received a cash payment of \$4,000 for services performed on account on May 15.
- May 26 Borrowed \$5,000 from the bank on a note payable.
- May 29 Purchased equipment for \$4,200 on account.
- May 30 Paid \$2.75 for utilities.

Show the effects of the each transactions on the accounting equation using the following format.

Instructions: Answer on your notebook, scan the page(s) and upload your answers in the next sub-section as a single file. You may use cam-scanner.

Assets				Liabilities				Owner's Equity			
Debit	Credit	Assets	Liabilities	Debit	Credit	Assets	Liabilities	Debit	Credit	Assets	Liabilities
		Assets	Liabilities			Assets	Liabilities			Assets	Liabilities
		Assets	Liabilities			Assets	Liabilities			Assets	Liabilities

✖ Answer Upload

23241004_Ahnan...

Add file

2.12) The Financial Statements

Assets = Liabilities + Owner's Equity

Assets = Liabilities + (Beginning Owner's Equity + Capital + Retained Earnings + Drawings)

✓ 2.12.1) The portion written in red in the above equation denotes the

1. A. Balance Sheet

2. B. Income Statement

3. C. Owner's Equity Statement

4. D. Statement of Cash Flows

✓ 2.12.2) The portion underlined in the above equation denotes the

1. A. Balance Sheet

2. B. Income Statement

3. C. Owner's Equity Statement

4. D. Statement of Cash Flows

✓ 2.12.3) The entire equation mentioned above denotes the

1. A. Balance Sheet

2. B. Income Statement

3. C. Owner's Equity Statement

4. D. Statement of Cash Flows

2.13) Determine the missing amounts (source: Kieso 13th e)

	Alpha Company	Beta Company	Omega Company
January 1, 2020			
Assets	\$ 80,000	\$ 90,000	(a)
Liabilities	40,000	(b)	80,000
Owner's equity	(c)	40,000	90,000
December 31, 2020			
Assets	(d)	112,000	(70,000)
Liabilities	60,000	72,000	(b)
Owner's equity	50,000	(e)	82,000
Additional changes in year			
Additional investment	(f)	8,000	10,000
Dividends	15,000	(g)	12,000
Total revenues	350,000	410,000	(h)
Total expenses	333,000	382,000	350,000

✓ (a) ???? Write only the digits, DON'T include any punctuation marks. Again, write the numeric digits ONLY.

39000

✓ (b) ???? Write only the digits, DON'T include any punctuation marks. Again, write the numeric digits ONLY.

110000

✓ (c) ???? Write only the digits, DON'T include any punctuation marks. Again, write the numeric digits ONLY.

9000

✓ (d) ???? Write only the digits, DON'T include any punctuation marks. Again, write the numeric digits ONLY.

50000

✓ (e) ???? Write only the digits, DON'T include any punctuation marks. Again, write the numeric digits ONLY.

40000

✓ (f) ???? Write only the digits, DON'T include any punctuation marks. Again, write the numeric digits ONLY.

33000

✓ (g) ???? Write only the digits, DON'T include any punctuation marks. Again, write the numeric digits ONLY.

120000

✓ (h) ???? Write only the digits, DON'T include any punctuation marks. Again, write the numeric digits ONLY.

88000

✓ (i) ???? Write only the digits, DON'T include any punctuation marks. Again, write the numeric digits ONLY.

38000

2.14) Problems & Exercises for Practice at Home

Exercise: E-110, E-115

Problem: P-1A, P-1A

(Non-graded assignment)

✖ 2.15) Sooooo...finally... the first question from this chapter...

If the accounting equation was a superhero, what would its catchphrase be?

A. "Assets Assemble!" (Captain America)

B. "With great balance comes great responsibility!" (Spider-Man)

C. "Cash me if you can!" (The Flash)

D. "Liabilities, you shall not pass!" (Gandalf)

Correct answer

B. "With great balance comes great responsibility!" (Spider-Man)

