

ACC1701XA: SEMESTER 1 2025 / 2026

POST LECTURE SUPPLEMENT
LECTURE 02

In-class PolLEV Activities: Name That Company

Name that Company!
Inventory

- At the end of FY2024, I have almost S\$5.34 billion in inventory. This is 22.4 % of my total assets.



Answer: H&M
H&M is a retail company with a primary focus in selling inventory. It hold large inventory across 4,200+ of its stores worldwide.

Name that Company!
Receivables

- At the end of FY2024, I have about S\$431 billion in receivables. This is 52% of my total assets of S\$827 billion.



Answer: DBS
Banks make money by loaning money and collecting interest. DBS's largest asset is loans receivable (loans to customers).

Name that Company!

PPE

- In 2024, I have about US\$185.2 billion in PPE (Property, Plant & Equipment). This is about 47.8% of my total assets of US\$387.6 billion.

Click on the logo of the company you think is the answer.



Answer: Shell
Exxon has intensive capital assets: refineries, oil platforms, ships...

Name that Company!

Deferred Revenue

- One of my important current liabilities relates to services for which people have ALREADY PAID me but I have NOT YET delivered. At the end of FY2025, that amount of liability is about S\$4.5 billion, which is about 32.5% of my current liabilities.

Click on the logo of the company that you think is the answer.



Answer: Singapore Airlines
Airlines typically pre-sell tickets, so they get paid first and deliver you to your destination later. This is called Deferred Revenue (Unearned Revenue)

In-class PolIEV Activities: Debit Credit Speed Challenge

- 1) If I invest \$5,000 cash into a business, what will the company debit? **CASH**
- 2) Does Revenues increase on the debit or credit side? **CREDIT**
- 3) Debit is on the **LEFT**
- 4) Which of the following accounts has a normal credit balance?
 - a) **Unearned Revenue**
 - b) Dividends
 - c) PPE
 - d) Accounts Receivable
- 5) Credit is NOT on the **LEFT**
- 6) If Tromp Inc. purchased a super AI computer and made partial payment with cash and the remaining on credit, which account/accounts would it debit?
 - a) **Property Plant & Equipment (PPE) only**
 - b) Accounts Receivable only
 - c) Property Plant & Equipment (PPE) and Accounts Receivable
 - d) Property Plant & Equipment (PPE) and Cash
- 7) If Tromp Inc. company paid \$800 cash for rent this period. What would be the entry to record the transaction?
 - a) Debit Cash \$800 ; Credit Rent Expense \$800
 - b) **Debit Rent Expense \$800; Credit Cash \$800**
 - c) Debit Prepaid Rent \$800; Credit Cash \$800
 - d) Debit Rent Expense \$800; Credit Rent Payable \$800
- 8) Tromp Inc owns data centers, and one of them exploded! It had to write it off all the PPE related to this data center from the books, incurring a loss. How will the accounting equation be affected?
 - a. Reduction in Asset & Reduction in Liability
 - b. **Reduction in Asset & Reduction in Equity**
 - c. Reduction in Liability & Reduction in Equity
 - d. No effect on the accounting equation.
- 9) Tromp Inc. borrows money to finance its expansion, which accounts will be affected?

a) Asset and Liability

b) Assets only

c) Liability and Equity

d) All (Assets, Liabilities and Equity)

10) Tromp Inc. incurs salaries expense for the month, but will only pay the employees next month, would you debit or credit the Salaries Expense account this month? **DEBIT**
