

Higher Colleges of Technology
Abu Dhabi Women's Campus
ACC 1003
Individual Project (20%)
2020- 10

Learning Outcomes:

CLO 2: Apply double entry principles to financial transactions.

CLO 3: Carry out procedures to complete the accounting cycle.

CLO 4: Prepare adjusting entries at the end of the year and adjusted trial balance

CLO 4: Prepare accurate business financial statements

Assessment type: Individual Project

Maximum Marks: 100

Weight: 20%

Due date: April 22nd 2020, by 4:00 pm

- A. Choose a service type of business that you would like to start and write a brief description about it which includes the name of the company, place and type of business etc. (1 mark)**
- B. Further, list down the transactions done by your business in one month starting with the initial investment made by you in the firm. The transactions should include the following:**
1. Investment in business (1 transaction)
 2. Purchase of two current assets (1 for cash and 1 on credit)
 3. Purchase of two fixed assets (1 for cash and 1 on credit)
 4. Incurring of two expenses (1 for cash and 1 on credit)
 5. Earning revenue (1 in cash and 1 on credit)
 6. Prepaid expense (1transaction)
 7. Purchase of supplies for cash (1 transaction)
 8. Unearned revenue (1 transaction)
 9. Long term borrowing from Bank (1 transaction)
 10. Withdrawal of cash from business for personal use (1 transaction)

Prepare Journal entries for the above transactions (14 marks)

- C. Prepare a trial balance based on the above transactions. (hint, open T ledger for each account and post from transactions in part B) (18 marks)**

- D. Create and record 6 adjusting entries (6 x 2 marks= 12 marks)**

**The transactions should include the following:*

1. Depreciation for the fixed assets in transaction 3 above (2 transactions)
2. Accrued expense that is new to the company (1 entry)
3. Supply expense in transaction 7 above (1 entry)
4. Prepaid expense in transaction 6 above (1 entry)
5. Revenue earned but not received (1 entry)

- E. Prepare an adjusted trial balance for the month ended (25 marks)**

F. Prepare financial statements

1. Income statement for the month (10 marks)
2. Statement of Owner's equity (5 marks)
3. Classified Balance sheet of your firm at the month end. (15 marks)

Deadline Wednesday 22nd April at 4:00 pm.