# Seminar in Accounting

## Worksheet

**Part I: Choose the correct answer**

1. According to federal government of Ethiopia, accounting rules for debits and credits, letter of credit has a normal balance of

A. Debit B. Credit C. Not recorded as financial data D. None

2. Knowledge that individual acquire in their life time and use to produce something is

A. Human capital B. Intellectual capital

C. Innovation capital D. Customer capital

3. Identify the one which is not the major area of accounting in which value added is used

A. National Accounting B. Financial Accounting

C. Managerial Accounting D. None

4. When a pressure by management causes bias on accountant then it can be considered as an environmental error

A. True B. False

5. In FGE, basic accounting equation is

A. Asset=Liability + Capital

B. Asset=Letter of credit - Net asset

C. Liability +Letter of credit +net asset

D. A and C

**Part II : Essay type questions**

1. List and describe the stages of the development in accounting profession.
2. Describe methods of theory formulation and frameworks that influence the interpretation of accounting theory
3. Discuss the different types of scales used in measurement and the role of reliability and accuracy in measurement

4. Briefly describe the theories that support various perspectives that are adopted in accounting and enumerate the various entity models applied to explain how firms are viewed.

5. Compare and contrast basic concepts of historical cost accounting model and exit price accounting model by emphasizing on their advantages and criticism/limitations.

6. list out the stakeholders in human resource accounting and the rationales for the emergence of human resource accounting
7. Describe the different methods of accounting for price level changes used in Inflation Accounting.

8. List out the methods of determining value added in Accounting.

9. Describe the conceptual framework and the core international accounting standards

**Part III: Work out questions**

1.

| | HCA method | Index of goods |
|---|---|---|
| Inventory, Jan 1, 2008 | 10,000 | 130 |
| Purchase during 2008 | 30,000 | 150 |
| Inventory, Dec 31, 2008 | 6,000 | 160 |

Required: Compute

   a. average current cost of beginning inventory
   b. average current cost of ending inventory
   c. Average current cost of sales
   d. The cost of sales adjustment

2. Assume that the company is considering two prospective projects. Their expected output and capital employed are summarized below:

| Project | Expected output | Capital Employed |
|---|---|---|
| X | 400,000 | 1,000,000 |
| Y | 100,000 | 2,100,000 |

Which project is preferred using capital output ratio?