



**BERJAYA BUSINESS SCHOOL**

**FINAL EXAMINATION**

Student ID (in Figures) : 

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Student ID (in Words) : \_\_\_\_\_  
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Course Code & Name : **ACC1613 FINANCIAL ACCOUNTING 1**  
 Trimester & Year : JANUARY – APRIL 2019  
 Lecturer/Examiner : MR.RAVINDRAN RAMAN  
 Duration : 3 Hours

**INSTRUCTIONS TO CANDIDATES**

1. This question paper consists of 2 parts:  
     **PART A (20 marks) : Answer ONE (1) compulsory question. Answer are to be written in the Answer Booklet provided.**  
     **PART B (80 marks) : Answer FOUR (4) out of FIVE (5) problem solving and essay questions. Answers are to be written in the Answer Booklet provided.**
2. Candidates are not allowed to bring any unauthorised materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
3. This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
4. Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

**WARNING:** The University Examination Board (UEB) of BERJAYA University College regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students’ Handbook, up to and including expulsion from BERJAYA University College.

**Total Number of pages = 5 (Including the cover page)**

**PART A : COMPULSORY QUESTION (20 MARKS)**

**INSTRUCTION (S)** : There are **ONE (1)** compulsory question in this section. Write your answer in the Answer Booklet(s) provided.

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**Question 1**

The following list of balances has been extracted from White Rose Sdn Bhd's ledger at the end 31 December 2015:

	<b>DEBIT (RM)</b>	<b>CREDIT (RM)</b>
Sales		50,000
Purchases	15,200	
Inventory as at 1 January 2015	5,000	
Wages and Salaries	6,400	
Repairs & Maintenance	5,000	
Heating and Lighting	1,300	
General Expenses	1,200	
Insurance	700	
Cash at Bank	3,400	
Cash in Hand	2,500	
Trade Receivable	15,600	
Trade Payables		4,300
Premises	31,000	
Furniture & Fittings	15,000	
Motor Vehicle	10,000	
Capital as at 1 January 2015		69,000
Drawings	11,000	
	<b>123,300</b>	<b>123,300</b>

**The following additional information is available:**

Inventory at 31 December 2015 was valued at RM6,500.

**Prepare the following:**

a) A Statement of Comprehensive Income for the year ended 31 December 2015.

(10 Marks)

b) A Statement of Financial Position as at 31 December 2015.

(10 Marks)

**(Total 20 marks)**

**END OF PART A**

**PART B : PROBLEM SOLVING AND ESSAY QUESTIONS (80 MARKS)**

**INSTRUCTION (S)** : There are **FIVE (5)** questions in this section, answer only **FOUR (4)** questions. Write your answers in the Answer Booklet(s) provided.

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**Question 1**

(a) Jenny is a wholesale trader and has conducted the following transactions as below. Prepare the following journal entry.

(10 marks)

1. Commence business with cash	RM 20,000
2. Bought inventory with cash	RM 80,000
3. Cash sales of worth	RM 25,000
4. Bought goods on credit from Roxy of worth	RM 50,000
5. Purchase furniture with cash	RM 5,000

(b) Explain the general ledger and its purpose.

(10 marks)

**(Total 20 marks)**

**Question 2**

(a) Explain the definition of an accounting ratio and its purpose for a firm.

(10 marks)

(b) The following is the Statement of Comprehensive Income and Statements of Financial Position for Sunshine Sdn Bhd for the year ending 31/12/2017:

Statements of Comprehensive Income	RM(000)	RM(000)
<b>Sales</b>		2,500
<b>Cost of goods sold</b>		
Opening Inventory	190	
Add Purchases	2,100	
Less closing Inventory	<u>(220)</u>	<u>(2,070)</u>
<b>Gross Profits</b>		430
<b>Expenses</b>		
Wages and Salaries	180	
Directors' Remuneration	70	
Other Expenses	<u>14</u>	<u>(264)</u>
<b>Net Profit</b>		166

The following is additional information:

1. Accumulated Depreciations are included in other expenses.

Statements of Financial Position	RM(000)	RM(000)
<b>Non-Current Asset</b>		
Equipment	200	
(Less) Accumulated Depreciation	(80)	120
Vehicle	64	
(Less) Accumulated Depreciation	<u>(26)</u>	<u>38</u>
		158
<b>Current Asset</b>		
Inventory	220	
A/C Receivable	104	
Bank	<u>75</u>	<u>399</u>
<b>Total Asset</b>		557
<b>Less Current Liabilities</b>		
A/C Payable		<u>(189)</u>
<b>Net Asset</b>		<u><b>368</b></u>
<b>Equity</b>		
Capital		<b>368</b>

Calculate the following:

- |                                    |           |
|------------------------------------|-----------|
| (i) Current Ratio                  | (2 marks) |
| (ii) Quick Ratio                   | (2 marks) |
| (iii) Gross Profit Ratio           | (2 marks) |
| (iv) A/C Receivable Turnover Ratio | (2 marks) |
| (v) A/C Payable Turnover Ratio     | (2 marks) |

(Total 20 marks)

### Question 3

- (a) Explain the definition of depreciation. (2 marks)
- (b) Explain the **TWO (2)** methods used in depreciation. (10 marks)
- (c) List out **THREE (3)** causes of depreciation. (3 marks)
- (d) Tommy Bakery Sdn Bhd bought a van for RM40,000 with an estimated salvage value of RM8,000. This useful life of the asset is 5 years. Calculate the following using the straight line method for the first 2 years:
- (i) Depreciation Charge (1 mark)
  - (ii) Accumulated Depreciation (2 marks)
  - (iii) Net Book Value (2 marks)
- (Total 20 marks)

### Question 4

Metro Sdn Bhd has completed its business as of 31 December 2017 and below are the transaction related to its inventory stock evaluation.

PURCHASED				SOLD			
January	2017	20 units @ RM30 each	RM600	May	2017	7 units @ RM50 each	RM 350
April	2017	20 units @ RM34 each	RM680	November	2017	23 units @ RM60 each	RM 1,380
October	2017	10 units @ RM40 each	RM400				
<b>TOTAL</b>		<b>50 units</b>	<b>RM1,640</b>	<b>TOTAL</b>		<b>30 units</b>	<b>RM 1,730</b>

Calculate the closing inventory value as at 31 December 2017 based on the following methods as below:

- (a) First in, First out method (FIFO) (10 marks)
- (b) Last in, Last out (LIFO) (10 marks)
- (Total 20 marks)

### Question 5

- (a) Describe the **TWO (2)** subsidiary ledgers used in accounting. (6 marks)
- (b) Discuss the **SEVEN (7)** original books of entry which is used in accounting process. (14 marks)
- (Total 20 marks)

**END OF QUESTION PAPER**