



**FACULTY OF BUSINESS**

**FINAL EXAMINATION**

Student ID (in Figures) : 

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Student ID (in Words) : \_\_\_\_\_  
 \_\_\_\_\_

Course Code & Name : **ACC1114 ACCOUNTING 1**  
 Semester & Year : JANUARY-APRIL 2020  
 Lecturer/Examiner : Nur Afiqah  
 Duration : 2 Hours

**INSTRUCTIONS TO CANDIDATES**

1. This question paper consists of 3 parts:
  - PART A (20 marks) : Answer ALL TWENTY (20) multiple choice questions. Answers are to be written in the Answer Booklet provided.**
  - PART B (20 marks) : Answer ONE (1) compulsory question. Answers are to be written in the Answer Booklet provided.**
  - PART C (60 marks) : Answer THREE (3) OUT OF FOUR (4) problem solving 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 = 11 (Including the cover page)**

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

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

**QUESTION 1**

The following balances were extracted from the books of Shotot Bookstore, a sole trader on 31 December 2020.

	<b>Debit</b>	<b>Credit</b>
	<b>RM</b>	<b>RM</b>
Capital		80,069
Drawings	11,000	
Premises	85,000	
Accumulated depreciation for premises		8,500
Equipment at cost	80,000	
Accumulated depreciation for equipment		15,900
Vehicles at cost	37,500	
Accumulated depreciation for vehicles		15,500
Purchases and sales	91,000	136,321
Stocks as at 1st January 2020	19,100	
A/c receivables and a/c payables	12,321	11,912
Allowance for doubtful debt		500
General expenses	9,000	
Salaries	11,211	
Lighting and heating	1,300	
Advertisement	1,200	
Bank	950	
Cash	120	
Loan from BIMB Bank (repayable in 2023)		91,000
	<b>359,702</b>	<b>359,702</b>

**The Trial Balance  
as at 31  
December 2020**

Adjustments to be considered:

- i. Stock as at 31 December was valued at RM 9,100.
- ii. Accrued salaries and heating were RM 1,100 and RM 110.
- iii. Premises are depreciated at 2% on cost, equipment at 10% on cost and vehicles at 25% reducing balance method.
- iv. Interest on loan accrued RM 582.
- v. Allowance for doubtful debt is to be increased by RM 120.

**Required:**

- a. Prepare the Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2020. (10 marks)
- b. Prepare the Statement of Financial Position as at 31 December 2020. (10 marks)
- [Total: 20 marks]**

**END OF PART B**

**PART C : PROBLEM SOLVING QUESTIONS (60 MARKS)**

**INSTRUCTION (S)** : Answer **THREE (3)** OUT OF **FOUR (4)** questions. Answers are to be written in the Answer Booklet provided.

---

**Question 1**

The bank columns in the cash book for January 2020 and the bank statement for that month for Nicole are as follows:

**Cash Book**

2020		RM	2020		RM
Jan-01	Balance b/d	1,240	Jan-02	Salina	1,030
Jan-16	Zamani	1,080	Jan-13	Liew	1,010
Jan-17	Anne	1,060	Jan-17	Tanaraj	1,100
Jan-29	Wana	1,390	Jan-30	Mar	1,120
Jan-31	Hoon	1,010	Jan-30	Faiz	800
Jan-31	Bob	300	Jan-30	Chong	110
			Jan-31	Balance c/d	910
		<u>6,080</u>			<u>6,080</u>
1-Feb	Balance b/d	910			

**Bank Statement**

2019		Dr (RM)	Cr (RM)	Balance (RM)
Jan 1	Balance b/d			1,240
Jan 12	Cheque	1,030		1,130
Jan 16	Deposit		1,080	1,290
Jan 23	Cheque	1,010		1,200
Jan 24	Deposit		1,060	1,340
Jan 28	Direct debit: Tanaraj	1,100		1,160
Jan 31	Bank Giro credit: Hoon		1,010	1,250
Jan 31	Direct debit: Naimah		600	1,850
Jan 31	Bank charges	400		1,450

**Required:**

a. Update the cashbook and bank reconciliation statement as at 31 January 2020. (12 marks)

b. Explain the following terms:

- i. Standing orders
- ii. Interest on overdraft
- iii. Uncredited lodgements
- iv. Bank charges

(8 marks)

**[Total: 20 marks]**

**Question 2**

a. The Following information relates to the material purchases and issues for the month of January.

Jan-01	Balance 100 units at RM1.00.
Jan-06	Purchased 1000 units at 1.10.
Jan-10	Issued 700 units.
Jan-15	Purchased 300 units at RM 1.15.
Jan-20	Issued 500 units.
Jan-25	Issued at 50 units.

**Required:**

Calculate the cost of goods sold and closing stock for the month of January using the following methods:

- i. First in first out (5 marks)
- ii. Last in first out (7 marks)
- iii. Average method (4 marks)

b. Discuss the differences between perpetual and periodic inventory systems. (4 marks)

**[Total: 20 marks]**

### Question 3

Below are the cash transactions prepared by Sunshine Enterprise for the month of February 2020.

1-Feb-20	Balances brought forward: Cash RM 200, Bank RM 1000.
3-Feb-20	Paid electricity by cash RM 131.
5-Feb-20	Purchases made by cheque worth RM 310.
7-Feb-20	Received cheque for sales amounting to RM 210.
10-Feb-20	Cash sales received RM 300.
15-Feb-20	Paid stationery expenses by cash worth RM 50.
20-Feb-20	Owner deposited RM 1000 to bank account.
21-Feb-20	Transferred RM 500 from bank to cash account.
22-Feb-20	Paid insurance of RM 250 by cash.
25-Feb-20	Received cheques from outstanding customers for accounts totals as follows: Maya RM 150, Zack RM 514 and Ameer RM 200, in each case allowing a discount of 2 %.
27-Feb-20	Commission received by cash RM 92.
27-Feb-20	Paid Prem by cheque for RM 130 in settlement of RM 145 of purchases.

#### Required:

Prepare the three-column cashbook and balance it off at the end of February 2020.

[Total: 20 marks]

### Question 4

(i) The below information is the breakdown of the cost analysis for machinery.

	RM
Machinery	140,000
Insurance in transit	1,000
Initial training	4,800
Installation costs of machinery	3,600
Additional component to increase the output	5,000
Annual insurance	500
Total costs	<u>154,900</u>

#### Required:

Calculate the cost as non-current assets of the machinery.

(3 marks)

- (ii) Rahim Enterprise, a sole trader bought a used lorry for the sum of RM 50,000 by cheque. It has an estimated life of 10 years and a scrap value of RM5,000. He prefers to use straight line method while his friend suggested him to use reducing balance method.

**Required:**

- a. Calculate the depreciation charges and the net book value of the lorry for each year using both methods of depreciation. Assume that 20% is to be used for the reducing balance method. (15 marks)
- b. Record the first year's journal entries for the asset purchased and the depreciation charged using the straight line method. (2 marks)

**[Total: 20 marks]**

**END OF QUESTION PAPER**