



**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.

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**QUESTION 1**

Zam is a sole trader of a groceries shop called Zam Groceries Store. The following is the shop's balance as at 31 December 2018.

**Zam Groceries Store  
Balance As At 31 December 2018**

	<b>Debit (RM)</b>	<b>Credit (RM)</b>
Stock as at 1 January 2018	50,800	
Purchases	90,000	
Sales		178,420
Carriage inwards	2,040	
Carriage outwards	2,200	
Salaries expenses	39,200	
Cash at bank	22,400	
Discount received		500
Discount allowed	200	
Machinery	180,000	
Insurance	1,000	
Utilities	2,000	
Duty on purchases	240	
Commission received		8,500
Rent expenses	7,000	
Allowance for doubtful debts		2,600
Bad debts	1,200	
Return inwards	1,000	
Return outwards		500
Capital		261,240
Account receivables	180,480	
Account payables		110,000

Accumulated depreciation for machinery		18,000
	<b>579,760</b>	<b>579,760</b>

The following adjustments need to be considered:

- i. Stock as at 31 December 2018 was valued at RM 12,400.
- ii. Allowance for doubtful debts is to be reduced to RM 2,000 and bad debts recovered was RM 350.
- iii. Accrued salaries and utilities are RM 500 and RM120.
- iv. RM 300 of the commission received was prepaid.
- v. Depreciation is to be provided for machinery is 20% using reducing balance method.
- vi. The owner took cash amounting to RM 2,000 for his house's rental.

**Required:**

- a. Prepare the Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2018. (10 marks)
- b. Prepare the Statement of Financial Position as at 31 December 2018. (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.**

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**Question 1**

The bank columns in the cash book for January 2019 and the bank statement for that month for Raj are as follows:

**Cash Book**

2019		RM	2019		RM
Jan-01	Balance b/d	11,895	Jan-02	Sajid	285
Jan-08	Lai	790	Jan-13	Thamil	750
Jan-17	Venoisha	465	Jan-17	Arif	2,165
Jan-29	Farhan	1,535	Jan-30	Liew	440
Jan-31	See Mee	3,120	Jan-31	Balance c/d	14,165
		<u>17,805</u>			<u>17,805</u>

**Bank Statement**

2019		Dr (RM)	Cr (RM)	Balance (RM)
Jan 1	Balance b/d			11,895 cr
Jan 8	Cheque		790	12,685 cr
Jan 9	Thamil	750		11,935 cr
Jan 17	Cheque		465	12,400 cr
Jan 18	Arif	2,165		10,235 cr
Jan 19	Liew	440		9,795 cr
Jan 29	Cheque		1,535	11,330 cr
Jan 30	Standing order	220		11,110 cr
Jan 31	Abu: Traders credit		450	11,560 cr
Jan 31	Bank charges	350		11,210 cr

**Required:**

a. Update the cashbook by taking the above into account. (6 marks)

b. Draw up a bank reconciliation statement as at 31 January 2019. (6 marks)

c. Explain the following terms:

i. Unpresented Cheque

ii. Uncredited Cheque

iii. Direct debits

iv. Dishonoured cheque

(8 marks)

**[Total: 20 marks]**

**Question 2**

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

Jan-01	Balance 300 units at RM 3.00.
Jan-05	Purchased 250 units at 3.20.
Jan-07	Issued 150 units.
Jan-09	Purchased 250 units at RM 3.25.
Jan-13	Issued 200 units.
Jan-18	Issued at 120 units.
Jan-23	Purchased 250 units at RM 3.30.
Jan-27	Issued 180 units.

**Required:**

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

a. First in first out (7 marks)

b. Last in first out (7 marks)

c. Average method (6 marks)

**[Total: 20 marks]**

### Question 3

Below are the cash transactions prepared by Diana Enterprise for the month of October 2019.

October 1	Balances brought forward: Cash RM 230, Bank RM 580 (Cr.)
October 3	Paid account payables by cheque; Gidah RM 880 Lemam RM 240 (before discount) and received a 5% discount on invoice totals.
October 5	Cash sales RM 978.
October 9	Paid RM 600 cash into bank account
October 13	Received cheques from outstanding customers for accounts totals as follows: Raisya RM 528, Lee RM 720 and Carmen RM 240 , in each case allowing a 2.5% discount.
October 19	Cash purchases RM 156
October 20	Paid rent by cheque RM 112.
October 22	Received cheque of RM 180 from Hasyim in settlement of sales worth RM 190.
October 25	Cash withdrawn from bank for personal use RM 200.
October 29	Paid Dayang by cheque for RM 170 in settlement of RM 190 of purchases.
October 30	Commission received by cash RM 92.

#### Required:

Prepare the three-column cashbook and balance it off at the end of October 2019.

[Total: 20 marks]

### Question 4

(i) The below information is the breakdown of the cost analysis for a new factory.

	RM
Purchase price of land	140,000
Construction charges of factory	85,000
Insurance for plant & equipment	4,800
Installation costs of plant & equipment	3,600
Business rates	8,900
Legal fees	12,000
Total costs	<u>254,300</u>

**Required:**

Calculate the cost as non-current-assets of the new factory.

(5 marks)

- (ii) Duncan Palmer, a sole trader purchases a delivery van for the sum of RM 10,000.00 by cheque. It has an estimated life of 8 years and a scrap value of RM1, 600.00. Palmer is not sure whether to use the straight line or the reducing balance method when providing depreciation on the van.

**Required:**

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

(13 marks)

(2 marks)

**[Total: 20 marks]**

**END OF QUESTION PAPER**