



FACULTY OF BUSINESS

FINAL EXAMINATION

Student ID (in Figures) :

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

Student ID (in Words) :

Course Code & Name : **ACC1114 ACCOUNTING 1**
Semester & Year : JANUARY - APRIL 2023
Lecturer/Examiner : DR. ABD HADI MUSTAFFA
Duration : 2 Hours

INSTRUCTIONS TO CANDIDATES

- This question paper consists of the following:**
PART B (20 Marks) : Answer ALL Compulsory Questions in the Answer Booklet
PART C (60 Marks) : Answer any THREE (3) out of FOUR (4) short answer questions in the Answer Booklet provided
- Candidates are not allowed to bring any unauthorized materials except writing equipment into the Exam Hall. Electronic dictionaries are strictly prohibited.**
- This question paper must be submitted with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials from the examination hall.**
- Only ballpoint pens are allowed to answer the questions, except for 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 = 6 (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 provided.

QUESTION 1

a) Encik Mukriz runs a business selling computers. He is very interested to know more about accounting. He asked you to:

i. Define the revenues and provide **TWO (2)** examples of revenues.

(4 Marks)

ii. Explain **THREE (3)** objectives of preparing the financial statements

(6 Marks)

b) Jonas owns a restaurant. He records the expenses for his business once the settlements have been made by cash or cheque. Likewise, he also records revenues when cash or cheques have been received. However, he did not apply the concept that records expenses when incurred and revenues when earned. Explain the concept Jonas has violated.

(4 Marks)

c) Miss Farah, a successful businesswoman, intends to expand her business. Currently, she operates her business as a sole proprietorship. However, she is unsure which business is better, a partnership or forming a company. She has asked your opinions regarding the matter. Explain **THREE (3)** differences between partnership and company.

(6 Marks)

[Total: 20 Marks]

END OF PART B

PART C : SHORT ANSWERS (60 Marks)

INSTRUCTION (S) : There are **FOUR (4)** Questions in this section. Answer any **THREE (3)** questions. Write your answers in the Answer Booklet

QUESTION 1

Given below are the transactions.

No	Transactions	Effects (a)	Journal Entry (b)
E.g.	Received Commission of RM 250 cash from Yuyue Enterprise	Increase revenue Increase asset	Dr Cash Cr Commission Received
1	The owner bought into the business additional capital RM 10,000 cash		
2	Pay rental RM 3,800 to Ariefah by cheque		
3	Purchase goods from Jijoe Venture RM 5,600 by credit		
4	Sold goods to Nusa Trading amounted RM 8,500 in cash		
5	Owner withdraws goods RM 6,900		

a) Identify the effects (increase/decrease) of the above transactions on assets, liabilities, owner's equity, revenue, and expenses.

(10 Marks)

b) Identify the journal entries (debit/credit) for the above transactions.

(10 Marks)

[Total: 20 Marks]

QUESTION 2

Mr Hanafi owned a boutique located in Shah Alam, Selangor. The boutique is named Favourite Fashion Collection. The following are the transactions for March 2022.

Date	Transactions
March 1	Mr Hanafi started a business with RM 50,000 cash in hand and office equipment worth RM 10,000.
3	Purchased blouses worth RM 7,800 from a supplier called Baju Kurung Sdn Bhd.
4	Sold 3 dozen blouses to a customer named Miss Fadhilah worth RM 1,440 on credit
5	Due to some damages, Mr Hanafi returned a few pieces of blouses to a supplier called Baju Kurung Sdn Bhd worth RM 200

7	Miss Fadhilah returned a few pieces of blouse worth RM 100
8	Paid RM 7,600 cash to Baju Kurung Sdn Bhd for the outstanding amount
10	Received cash from Miss Fadhilah for the settlement of their debts
11	Mr Hanafi received a cheque amounting to RM 1,000 for interest on the investment
12	The owner, Mr Hanafi, withdrew cash and goods amounted to RM 200 and RM 300, respectively, for personal use.

Required:

Prepare ledger entries for the above transactions in the form of "T" accounts.

(20 Marks)

[Total:20 Marks]

QUESTION 3

Aqeera Electric Enterprise sells electrical appliances. The transactions for the year have been recorded, and the following trial balance was extracted as of 31st December 2016:

AQEERA ELECTRIC ENTERPRISE
Trial Balance as at 31 December 2016

	DEBIT (RM)	CREDIT (RM)
Capital		80,000
Sales		350,000
Purchases	170,000	
Bank	26,500	
Fixed Deposit	50,000	
Travelling expenses	2,000	
Acc dep - motor vehicles		20,000
Acc dep - furniture and fittings		2,000
Accounts receivable	31,000	
Opening inventory	63,000	
Motor vehicles	100,000	
Accounts payable		48,000
Cash in hand	1,000	
Furniture and fittings	10,000	
Discount allowed	1,000	
Repair and maintenance expenses	2,400	
Discount received		2,000
Advertisement expenses	1,800	
Rental expenses	12,000	
Carriage outwards	2,000	
Utility Expenses	3,000	

Carriage inwards	1,200	
Sales return	600	
Drawings	500	
Salaries and wages	24,000	
	502,000	502,000

The following are the year-end adjustments that need to be taken into consideration in the preparation of the financial statements:

- 1) The closing inventory as at 31 December 2016 was valued at RM 20,000.
- 2) Expenses accruals at year-end:

Salaries and wages	RM 2,500
Utilities expenses	RM 300
- 3) The business provided depreciation expenses for the motor vehicle and furniture and fittings at RM 20,000 and RM 1,000, respectively.
- 4) The owner has taken a microwave oven worth RM 1,500 as a gift to his friend.
- 5) An advertisement bill, which was for January 2017, has been paid in advance by the business, amounting to RM 500.

Required:

- a) Prepare the statement of Profit or Loss for the year ended 31 December 2016. (12 Marks)
 - b) Prepare the statement of Financial Position as at 31 December 2016. (8 Marks)
- [Total: 20 Marks]**

QUESTION 4

- a) Reserve Osmosis Manufacturing Sdn Bhd produces water filters for the local market. One of the materials used for the production is material Q. The closing balance of material Q at the end of August 2020 was 300 units valued at RM 345 (purchased on 18th August 2020) and 400 units valued at RM 440 (purchased on 24 August 2020). The following were the transactions of material Q carried out by the factory for September 2020.

Date	Transactions	Remarks
September 3	Issued to production	550 units
4	Purchases	1,500 units at RM 1.20 per unit
10	Issued to production	850 units
15	Purchases	1,100 units at RM 1.25 per unit

20	Purchase return	280 units purchased on 15 th September returned to the supplier
22	Issued to production	1,100 units

On 30th September 2020, a stock count revealed that only 480 units of material Q remained in the store.

Required:

Date	Purchases			Cost of goods sold			Ending Stock		
	Unit	Cost price (RM)	Total cost (RM)	Unit	Cost price (RM)	Total cost (RM)	Unit	Cost price (RM)	Total cost (RM)

Using the above format, prepare a store ledger card for material Q for September 2020 using the First in First Out (FIFO) valuation method.

(14 Marks)

- b) Explain **THREE (3)** types of inventory.

(6 Marks)

[Total: 20 Marks]

END OF PART C

END OF QUESTION PAPER