



**FACULTY OF BUSINESS**

**FINAL EXAMINATION**

Student ID (in Figures) : 

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Student ID (in Words) : \_\_\_\_\_  
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Course Code & Name : **ACC1513 ACCOUNTING**  
Semester & Year : JANUARY – APRIL 2024  
Lecturer/Examiner : JAMES LIOW  
Duration : 3 Hours

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**INSTRUCTIONS TO CANDIDATES**

1. This question paper consists of 2 parts:  
PART A (20 marks) : Answer ONE (1) compulsory question. Answers are to be written in the Answer Booklet provided.  
PART B (80 marks) : Answer FOUR (4) out of FIVE (5) short answer 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.

**PART A : 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**

Akram Enterprise is a sole trader operating as a trading business and the following is the trial balance at the end of the financial year 31 December 2023:

	<b>Dr (RM)</b>	<b>Cr (RM)</b>
Capital		149,025
Drawings	85,800	
Cash at bank	32,543	
Cash in hand	336	
Accounts receivable	114,300	
Accounts payable		78,900
Allowance for doubtful debts		6,540
Inventory at 1 January 2023	217,230	
Motor vehicle, at cost	16,950	
Accumulated depreciation – Motor vehicle		6,780
Office equipment, at cost	22,410	
Accumulated depreciation – Office equipment		6,073
Sales		1,174,200
Purchases	764,430	
Discount allowed/discount received	3,240	4,560
Returns inwards/return outwards	6,330	3,720
Carriage inwards	2,280	
Carriage outwards	8,550	
Maintenance expense	4,470	
Rent	24,600	
Utilities charges	2,040	
Wages & salaries	118,800	
Insurance	2,235	
Office expense	1,176	
Bad debts	1,430	
Sundry expenses	648	
	<b>1,429,798</b>	<b>1,429,798</b>

Additional information:

- (i) The details of the property, plant and equipment, its useful line and the method of depreciation are listed below:

	<b>%</b>	<b>Basis</b>
Motor vehicle	20	Straight line
Office equipment	10	Reducing balance

- (ii) The following accrued and prepayment as at 31 December 2023 are to be accounted for:
- Prepaid rent expenses of RM8,200
  - Accrued salaries and wages of RM13,000
  - Received RM5,500 in advance from customers has been wrongly included as sales
- (iii) A trade receivable balance of RM1,350 as at 31 December 2023 from Bahagia Trading was decided to be written-off as bad debt. Then, the allowance for doubtful debts was to be adjusted at 5% of the accounts receivable balance at the end of the year.
- (iv) The drawings of RM2,550 was wrongly debited to the purchases account.
- (v) Closing inventory as at 31 December 2023 was valued at RM258,212.  
*(All amounts are to be rounded to the nearest Ringgit)*

**Required**

Prepare the following statements for the financial year ended 31 December 2023:

- a) Statement of profit or loss (10 marks)
- b) Statement of financial position (10 marks)

**[Total 20 marks]**

**END OF PART A**

**PART B : SHORT ANSWER 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**

The following are the opening balance for the month of September 2023 regarding Bakar Enterprise:

	<b>RM</b>
Sales ledger	31,200
Purchases ledger	25,500
Allowance for doubtful debts	1,240

In the month of September 2023, the following transactions were made:

	<b>RM</b>
Interest charged to accounts receivable for late payment	11,275
Debit balance on sales ledger transferred to purchase ledger	53,000
Cash purchases	125,125
Accounts receivable's cheque dishonoured	12,400
Legal fees for debt collection charged to credit customer's account	3,200
Sales on credit	861,000
Credit purchases	511,000
Returns outwards to credit suppliers	23,000
Returns inwards from credit customers	75,000
Cash sales	250,250
Discounts allowed	9,000
Discounts received	5,000
Bad debts written off	13,150
Payments to credit suppliers	440,000
Receipts from credit customers	750,000

Note:

The allowance for doubtful debts was to be adjusted to 3% of accounts receivable at 30 September 2023.

**Required**

Prepare the following for the month of September 2023:

- Purchase ledger control accounts. (5 marks)
- Sales ledger control accounts. (7 marks)
- Statement of financial position extract showing the balance for accounts receivable, accounts payable and working capital. (3 marks)
- Calculate the amount to be charged as doubtful debts in the profit or loss. Indicate whether the

amount is increased/decreased and debit/credit to profit or loss. (2 marks)

- e) Name **THREE (3)** books of original entry besides sales day book and purchase day book. (3 marks)

[Total 20 marks]

### QUESTION 2

Bulan Bus Express Sdn Bhd purchased ten coaches from Chin Yen Company on 1 January 2021 at a list price of RM2.0 million each. A trade discount of 10% was given by the seller on the list price. The company incurred and paid the following:

Description	RM
Custom duty paid on invoice price for all coaches	170,000
Repainting on coaches	10,000 each
Freight charges	13,000 each

The company provides the depreciation of the coaches at a rate of 20% per annum using straight line method. Full year depreciation is calculated in the year of purchase but none in the year of disposal.

On 31 December 2023, five coaches which was purchased in 2020 were disposed for a total consideration of RM6,650,000.

#### Required

- a) Prepare the following accounts for the year ended 31 December 2023:
- (i) Motor vehicle (6 marks)
  - (ii) Accumulated depreciation of motor vehicle (6 marks)
  - (iii) Disposal of motor vehicle (5 marks)
- b) List **TWO (2)** causes of depreciation. (2 marks)
- c) Name **ONE (1)** depreciation method besides straight line. (1 mark)

[Total 20 marks]

### QUESTION 3

CKH Trading uses a perpetual inventory system. The following information of the purchases and sales are extracted from the warehouse systems for the month of September 2023:

Date	Purchase	Issue
4 Sept	700 units @RM4.20	
9 Sept		600 units
15 Sept	900 units @RM4.30	
30 Sept		1,000 units

Additional information:

- (i) The inventory brought forward from August 2023 is 500 units at RM4.00.

(ii) The selling price of the unit sold is set at RM6.00 per unit.

**Required**

- a) Calculate the cost of the ending inventory and the cost of goods sold using the following methods:
- (i) First In, First Out (FIFO) (5 marks)
  - (ii) Last In, First Out (LIFO) (5 marks)
  - (iii) Weighted average cost (*Average unit cost to be rounded to 2 decimal places*) (5 marks)
- b) Compare the results of the three inventory methods in a tabular format and determine the gross profit for each of the methods. (4 marks)
- c) Based on the information in part (b) above, state which method produces the lowest gross profit. (1 mark)

(1 mark)

**[Total 20 marks]**

**QUESTION 4**

Donna Enterprise records her bank and cash transactions in a 3-column Cash Book. The following transactions took place during September 2023:

Date	Details	RM
1-Sept	Cash, brought down	300
2-Sept	Bank, brought down	600
7-Sept	Received cheque from Jim Trading after deducting 2% cash discount.	2,000
8-Sept	Sold goods for cash.	4,100
11-Sept	Issued cheque to Tan Brothers after deducting 3% cash discount.	2,500
13-Sept	Donna withdrew from bank for business use.	500
15-Sept	Donna managed to secure a business loan from CIM Bank Berhad.	15,000
16-Sept	Donna withdrew cash for her personal use.	1,200
18-Sept	Paid electricity bills by cash	1,300
25-Sept	Received cheque from Fatimah Trading by cheque after deducting 2% cash discount.	4,750
26-Sept	Paid salary and wages by cheque.	7,600
27-Sept	Donna withdrew cash for her personal use.	2,300
28-Sept	Paid office rental by cheque	3,500
29-Sept	Paid by cheque to Tropical Enterprise by cheque after deducting 3% cash discount.	1,555
30-Sept	Bought laptop for business use by cheque	2,500
30-Sept	Received from SSF by cheque less 2% cash discount.	1,400

Note:

- All cash discount amounts are pre-discount.

- All amounts are to be rounded to the nearest Ringgit.

**Required**

- a) Write up the 3-column cash book for the month of September 2023. Balance the cash book and bring down the balances at 1 October 2023. (13 marks)

On 4 October 2023, Donna Enterprise received a bank statement for the month of September and showed that the amount was different from the cash book balance.

Examination of the records revealed the following reasons for the said difference:

- (i) The bank has charged a loan interest of RM125.
- (ii) Cheque book charges of RM10.00
- (iii) Direct deposit of RM2,300 into the bank account by a credit customer has not been recorded in the cash book.
- (iv) Following deposited cheques were not realised during the month:
  - Cheque received from Fatimah Trading on 25 September 2023
  - Cheque received from SSF on 30 September 2023
- (v) Following issued cheques were not presented for payments:
  - Cheque paid to Tropical Enterprise on 29 September 2023
  - Cheque paid for the purchase of laptop on 30 September 2023

**Required**

- b) Based on the information obtained from the bank statement, update the cashbook for the month of September 2023. (3 marks)
- c) Perform the bank reconciliation statement as at 30 September 2023. (4 marks)

**[Total 20 marks]**

**QUESTION 5**

The following is the financial statements for the last two years of Moon Confectionery Sdn Bhd:

<b>Statement of Comprehensive Income for the Year Ended December</b>		
	<b>2023 (RM)</b>	<b>2022 (RM)</b>
Sales	400,000	600,000
<b>Cost of goods sold</b>		
Opening stock	70,000	35,000
Purchases	265,000	435,000
	335,000	470,000
Less closing stock	(35,000)	(50,000)

	300,000	420,000
<b>Gross profit</b>	100,000	180,000
Less expenses:		
General expenses	77,000	103,000
Debenture interest	2,000	8,000
<b>Net profit</b>	<b>21,000</b>	<b>69,000</b>
<b>Statement of Financial Position as at December</b>		
	<b>2023 (RM)</b>	<b>2022 (RM)</b>
<b>Non-current Assets</b>		
Property, plant and equipment	245,000	280,000
<b>Current Assets</b>		
Stock	35,000	50,000
Accounts receivable	55,000	66,000
Bank	-	10,000
	90,000	126,000
<b>Current Liabilities</b>		
Accounts payable	30,000	24,000
Bank	20,000	-
	(50,000)	(24,000)
<b>Net Current Assets</b>	40,000	102,000
	<b>285,000</b>	<b>382,000</b>
<b>Financed by:</b>		
<b>Non- current Liabilities</b>		
8% Debentures	25,000	100,000
<b>Capital and Reserves</b>		
Ordinary share capital	200,000	200,000
Retained earnings	60,000	82,000
	260,000	282,000
	<b>285,000</b>	<b>382,000</b>

**Required**

- a) Calculate the following ratios to **TWO (2)** decimal places for each of the two years (show all workings):
- i) Gross profit margin
  - ii) Net profit margin
  - iii) Return on capital employed (net profit before interest)



- iv) Current ratio
- v) Acid test ratio
- vi) Rate of stock turnover (times)
- vii) Accounts receivable's collection period (in days)
- viii) Accounts payable's collection period (in days)

(8 x 2 points = 16 marks)

- b) State the effect (increase or decrease) in the following scenarios that will have upon the accounts receivable and accounts payable:

No.	Scenario	Collection/Settlement Period (Days)	Turnover Rate (times)
(i)	Slow in collecting the debts from accounts receivable		
(ii)	Pay the accounts payable before the credit terms		

(4 marks)

**[Total 20 marks]**

**END OF QUESTION PAPER**