



Private & Confidential

BERJAYA BUSINESS SCHOOL

FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) : _____

Subject Code & Name : **DGN 1306 ACCOUNTING**
Trimester & Year : January - April 2017
Lecturer/Examiner : Ms. Faridah Hanum Amran
Duration : 2 Hours

INSTRUCTIONS TO CANDIDATES

- This question paper consists of 3 parts:
PART A (20 marks) : TWENTY (20) multiple-choice questions. Answer ALL questions in the Answer Booklet(s) provided.
PART B (20 marks) : ONE (1) compulsory type question. Answer ALL questions in the Answer Booklet(s) provided.
PART C (60 marks) : FOUR (4) sub-question type. Answer any THREE (3) questions in the Answer Booklet(s) provided.
- Candidates are not allowed to bring any unauthorized materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
- 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.
- 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 of Hospitality 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 of Hospitality.

Total Number of pages = 11 (Including the cover page)

PART B : COMPULSORY QUESTION (20 MARKS)

INSTRUCTION(S) : **ONE (1)** compulsory type question. Answer **ALL** questions in the Answer Booklet(s) provided.

Question 1

a. Prepare journal entry for each of the following transactions:

Date	Transaction
September 1	Syafiq started in business and deposited \$60,000 into a bank account opened specially for the business.
September 3	He buys a small shop for \$32,000, paying by cheque.
September 6	Purchased some goods for \$7,000 from Samantha, and agrees to pay for them within 30 days.
September 9	Goods which cost \$600 were sold to Aliyah on credit.
September 9	Received \$400 cheque from customers for the sale of goods.
September 12	Syafiq pays a cheque for \$3,000 to Samantha in part payment of the amount owing.
September 15	Aliyah makes a part payment of \$200 by cheque.
September 18	Syafiq put in an extra \$1,500 into the business, \$1,300 by cheque and \$200 in cash.
September 19	Fixtures are bought on credit from Shop E-Mart for \$1,250.
September 22	Withdrew \$150 cash from the bank and placed it in the cash box.
September 23	Returned some of the fixtures costing \$500 to E-Mart.
September 24	Bought more machinery by cheque \$650.
September 24	Goods costing \$310 are bought, cash being paid for them immediately at the time of purchase.
September 26	Goods which had been previously sold to Aliyah on 9 September for \$29 are now returned to the business.
September 27	Rent of \$200 is paid in cash.
September 27	Motor expenses of \$355 are paid by cheque.
September 27	Syafiq takes \$333 cash out of the business for his own use.
September 28	Goods previously bought for \$50 are returned by the business to Samantha.
September 29	Paid carriage by cash \$38.
September 30	Paid salaries in cash \$790.

(20 Marks)

[Total: 20 Marks]

END OF PART B

PART C : SUB- QUESTIONS (60 MARKS)

INSTRUCTION(S) : **FOUR (4)** sub-question type. Answer any **THREE (3)** questions in the Answer Booklet(s) provided.

QUESTION 1

The Saiful Malaika company discloses the following information for the month of April 2016:-

<u>Date</u>	<u>Bought</u>
1 Apr	Beginning stock 1,000 units @\$3.30
11 Apr	3,250 units @\$2.00
20 Apr	3,300 units @\$3.70

<u>Date</u>	<u>Sold</u>
10 Apr	750 units @\$5.50
15 Apr	3,000 units @\$6.30
27 Apr	900 units @\$8.00

Required

Calculate the cost of the ending inventory and the cost of goods sold using the following methods:-

- a) First In, First Out (FIFO)
- b) Last In, First Out (LIFO)
- c) Weighted Average Cost

[Total 20 marks]

QUESTION 2

The following ledger balances appeared in the books of Belibezey for January 2017:-

	Dr (\$)	Cr (\$)
Sales Ledger balances at 1 January	3,816	
Purchases Ledger balances at 1 January		3,890

The following information was also available:-

	\$
Credit purchases	4,936
Credit sales	6,343
Receipts from credit customers	7,090
Return inwards	664
Return outwards	95
Reimbursement of legal fees charge to credit customers	300
Payment to credit suppliers	3,620
Discount received	365
Cheque received from debtors was dishonoured	29
Discount allowed	298
Bad debts	306
Transfer of balance from Sales Ledger to Purchases Ledger	330

Required

In the books of Belibezey for January 2017, prepare:-

- Purchases Ledger Control Account
(7 marks)
- Sales Ledger Control Account
(10 marks)
- State **THREE (3)** advantages of preparing Control Accounts.
(3 marks)

[Total 20 marks]

Question 3

A machinery was purchased at a cost of \$1,525,000. It is expected to be used for 10 years and carry \$10,000 salvage value at the end of its useful life.

- a. Calculate the net book value of the machine for the first three years of its useful life using straight line method depreciation.
(9 Marks)
- b. If the company was adopting reducing balance method at 20% depreciation rate, calculate the first three years the machine net book value.
(9 Marks)
- c. Provide journal entry for depreciation and purchasing assets.
(2 Marks)

[Total: 20 Marks]

Question 4

Alice Wonderland has been trading for some years as a food merchant. The following list of balances has been extracted from her ledger as at 30 April 20X7, the end of her most recent financial year.

Trial Balance as at 30 April 20x7		
	Dr	Cr
	\$	\$
Capital		83,887
Sales		259,870
Trade creditors		19,840
Returns out		13,407
Provision for doubtful debts		512
Discounts allowed	2,306	
Discounts received		1,750
Purchases	135,680	
Returns inwards	5,624	
Carriage outwards	4,562	
Drawings	18,440	
Carriage inwards	11,830	
Rent, rates and insurance	25,973	
Heating and lighting	11,010	
Postage, stationery and telephone	2,410	
Advertising	5,980	
Salaries and wages	38,521	
Bad debts	2,008	
Cash in hand	534	
Cash at bank	4,440	
Stock as at 1 May 20X6	15,654	
Trade debtors	24,500	
Fixtures and fittings – at cost	120,740	
Provision for depreciation on fixtures and fittings – as at 30 April 20X7		63,020
Depreciation	12,074	
	442,286	442,286

The following additional information as at 30 April 20X7 is available:

- (a) Stock at the close of business was valued at \$17,750.
- (b) Insurances have been prepaid by \$1,120.
- (c) Heating and lighting is accrued by \$1,360.
- (d) Rates have been prepaid by \$5,435.
- (e) The provision for doubtful debts is to be adjusted so that it is 3% of trade debtors.

Required

Prepare the following:-

- a) A Statement of Comprehensive Income for the year ended 30 April 20X7. (11 Marks)
- b) A Statement of Financial Position as at 30 April 20X7. (9 Marks)

[Total 20 marks]

END OF QUESTION PAPER