

FACULTY OF BUSINESS

FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) : _____

Course Code & Name : **ACC1133 ACCOUNTING**

Semester & Year : MAY – AUGUST 2022

Lecturer/Examiner : JAMES LIOW

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 and shade your answers in the provided space with 2B pencil.
 - 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) short answer questions. Answers are to be written in the Answer Booklet provided.
2. Candidates are not allowed to bring any unauthorized materials except writing equipment and calculator 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 = 10 (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.

Prepare the journal entries for Jean Tan of the below transactions for the month of May 2022. Narrative is not required for every business transaction. Clearly indicate the correct accounts name, accounts receivable or accounts payable.

The first transaction has been journalized as an example.

On 1 February, Jean Tan made a credit sales amounting to RM15,000 to X Seafood Trading.

Date	Details	Dr (RM)	Cr (RM)
1 May	Accounts Receivable – X Seafood Trading	15,000	
	Sales		15,000

Date	Transactions
2 May	Recorded the credit purchase of goods for resale of RM22,000 from Alpha Enterprise. Term is 2% cash discount if paid within one month.
5 May	Sold goods to Soon Trading amounting to RM64,000. According to the term, Soo Trading paid a cheque of RM20,000 and the remaining balance will be on one month's credit term.
10 May	Jean Tan issued a cheque amounting to RM2,100 being the freight charges incurred for transporting the goods from Port Klang to the business warehouse.
20 May	Jean took out RM500 worth of stock for his personal use.
22 May	Jean Tan decided to pay RM22,000 an amount owing to Alpha Enterprise on 2 May 2022 by issuing a cheque and at the same time taking the advantage of a cash discount of 2%.
24 May	Soon Trading returned a batch of goods worth RM230 because the goods did not meet the standard specifications.
25 May	Jean Tan paid 4 units of office chairs of RM500 per unit from SK Furniture by issuing a cheque. The chairs are to be classified as office equipment in the book.
26 Feb	Stationery expenses of RM340 was wrongly taken up as motor vehicle maintenance expenses.
27 May	A receipt of RM1,000 cash sales had been incorrectly debited the sales accounts and credited to the cash in hand.
31 May	Salaries of RM2,800 was unpaid at the month end.

[Total 20 marks]

END OF PART B

PART C : SHORT ANSWER QUESTIONS (60 MARKS)

INSTRUCTION(S) : There are **FOUR** (4) questions in this section, answer only **THREE** (3) questions. Write your answers in the Answer Booklet(s) provided.

QUESTION 1

The following trial balance was extracted from the books of Abdul TC & Sons at the close of business on 31 December 2021:

	Dr (RM)	Cr (RM)
Cash in hand	9,670	
Cash at bank	103,200	
Inventory, 1 January 2021	186,400	
Purchases	1,748,200	
Return inwards/return outwards	42,300	53,500
Discount allowed/discount received	28,930	13,200
Carriage inwards	38,100	
Carriage outwards	26,500	
Sales		3,210,000
Accounts receivables	312,000	
Accounts payables		488,080
Salaries and wages	694,200	
Administrative expenses	381,000	
Rent expenses	60,000	
Allowance for doubtful debts		12,200
Bad debts	14,680	
Office equipment	214,000	
Accumulated depreciation -office equipment		88,700
Motor vehicle	300,000	
Accumulated depreciation - motor vehicle		108,000
Drawings	4,500	
Capital		190,000
	4,163,680	4,163,680

Additional information:

- (i) Closing stock is valued at RM219,600
- (ii) Prepaid rent at RM5,000
- (iii) Accrued administrative expenses of RM2,400
- (iv) During the review of accounts receivable, additional bad debts of RM5,500 are irrecoverable and to be written off as bad debts before adjusting for the allowance of doubtful debts at 5%.
- (v) Depreciation is to be provided as follows:
 - Office equipment at 10% using the straight-line method
 - Motor vehicle at 20% using the reducing balance method

(All amounts are to be rounded to the nearest Ringgit)

Required

- a) Statement of profit or loss for the year ended 31 December 2021. (10 marks)
- b) Statement of financial position as at 31 December 2021. (10 marks)

[Total 20 Marks]

QUESTION 2

The following information for the month of May 2022 was extracted from the ledgers of Alibaba Sons:

At 1 May 2022:	RM
Purchases ledger control	225,500 credit balance
Sales ledger control	131,200 debit balance

For the month ended 31May 2022:

	RM
Credit purchases	311,000
Credit sales	961,000
Return outwards	113,000
Return inwards	86,200
Discount allowed	15,420
Discount received	9,250
Cash paid to accounts payable	325,200
Cash collected from accounts receivable	850,340
Bad debts written off	3,290
Accounts receivable's cheques dishonoured	6,250
Interest charged for overdue payment to accounts receivable	5,800
Legal fees charged to accounts receivable	8,500
Balances on the sales ledger set off against balances in the purchases ledger	13,500

Required

- a) Prepare for the month of May 2022:
 - (i) Purchases ledger control account (5 marks)
 - (ii) Sales ledger control account (7 marks)

- b) State the sources of original entry of the information in the sales ledger control account and the purchases ledger control account. The below has been provided as an example. Present your answer as shown below:

Entry	Source
Credit sales	Sales day book

No.	Entry	Source
1.	Stock returned to credit customers	
2.	Cheque received from credit customers	
3.	Cheque paid to credit suppliers	

4.	Depreciation charges for the year	
5.	Cash paid for stationery expenses	
6.	Stock returned from credit suppliers	
7.	Adjustment for rent expenses wrongly taken up	
8.	Bought goods on credit term	

(8 marks)

[Total 20 Marks]

QUESTION 3

Johnny who owns TT Sdn Bhd recorded the following transactions for the month of May 2022:

No.	Details	Amount (RM)
1.	Purchase of motor vehicle	112,500
2.	Upkeep of maintenance for office building	4,300
3.	Repairs to furniture and fittings	864
4.	Fire insurance premium for buildings	15,000
5.	Legal fees incurred for sales and purchase agreement of a new building	8,510
6.	Salaries and wages paid	12,000
7.	Installation of air conditioner systems in the new building	230,000
8.	Utilities expenses incurred	15,000
9.	Carriage outwards incurred for delivering the goods to customers	3,400
10.	Bought a piece of land including the costs of clearing	2,100,000

Required

- a) State the above numbers (1) to (10) in your answer book booklet and against each number whether the related expenditure is **revenue** or **capital**. (5 marks)
- b) Match the following accounting principles and assumptions with the statement below:

Cost principle	Going concern
Full disclosure	Time period
Dual aspect	Separate entity
Revenue recognition	Money measurement
Matching principle	Substance over form

No.	Details
1.	Johnny's personal expenses are not recorded in the book of TT Sdn Bhd.
2.	TT Sdn Bhd paid the machines including installation and transportation, and recorded all the transactions in the book at costs.
3.	The company records cash sales and credit sales when the sale of goods or services are earned.
4.	The business transactions are recorded in the books on a debit and credit system.
5.	The business prepares its accounts on a monthly and yearly basis.
6.	The objective of TT Sdn Bhd is to remain in business for the foreseeable future and is not expected to go out of business unless evidence proves otherwise.
7.	TT Sdn Bhd has another factory in Indonesia and the financial statements are

	presented in Indonesian Rupiah.
8.	TT Sdn Bhd purchased the motor vehicle under the hire purchase arrangement. The transaction is recorded in the book although the legal title of the motor vehicle is with the bank.
9.	The financial statements of TT Sdn Bhd for year ended 2021 disclosed the depreciation policy.
10.	The sales revenue earned are matched with the expenses incurred and cost of goods sold at the same period.

(15 marks)

[Total 20 Marks]

QUESTION 4

Mulan began operations on 1 May 2022. It uses a perpetual inventory system. During the month of May 2022, the business had the following data for purchases and sales:

Date	Purchases	Issued
1 Jan	500 units @ RM135.00	
6 Jan		200 units
11 Jan	400 units @ RM160.00	
14 Jan		50 units

Required

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

- First In, First Out (FIFO) (7 marks)
- Last In, First Out (LIFO) (7 marks)
- Weighted average cost (*Average unit cost to be rounded to 2 decimal places*) (6 marks)

[Total 20 Marks]

END OF QUESTION PAPER