

**FACULTY OF BUSINESS**

**FINAL EXAMINATION**

Student ID (in Figures) : 

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Student ID (in Words) : \_\_\_\_\_

Course Code & Name : **ACC1133 ACCOUNTING**  
Semester & Year : SEPTEMBER – DECEMBER 2022  
Lecturer/Examiner : JAMES LIOW  
Duration : 2 Hours

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**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 Yusof Trading 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 May, Yusof Trading made a credit sales amounting to RM15,000 to X Seafood Trading.*

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

<b>Date</b>	<b>Transactions</b>
2 May	Recorded the credit purchase of goods for resale of RM12,000 from Beta Enterprise. Term is 2% cash discount if paid within one month.
5 May	Sold goods to Soon Ann Enterprise amounting to RM54,000. 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	Yusuf Trading issued a cheque amounting to RM1,100 being the freight charges incurred for transporting the goods from Port Klang to the business warehouse.
20 May	Yusuf took out RM1,800 worth of stock for his personal use.
22 May	Yusuf Trading decided to settle the amount of RM12,000 owed to Beta 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 Ann Enterprise returned a batch of goods worth RM250 because the goods did not meet the standard specifications.
25 May	Yusuf Trading paid 4 units of office table of RM200 per unit from KK Furniture by issuing a cheque. The chairs are to be classified as office equipment in the book.
26 May	Drawings of RM350 was wrongly taken up as maintenance expenses.
27 May	A receipt of RM800 cash sales had been incorrectly debited the sales accounts and credited to the cash in hand.
31 May	Salaries of RM12,800 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**

Lily Chan Supplies extracted the following trial balance from her books on 31 December 2022:

	RM	RM
Capital		119,326
Drawings	33,500	
Accounts receivable and accounts payable	74,500	34,284
Discounts allowed and received	6,238	3,547
Purchases and sales	365,535	561,165
Return outwards		2,962
Return inwards	3,540	
Allowance for doubtful debts		2,653
Cash in hand	375	
Cash at bank		33,692
Motor vehicle, at cost	36,000	
Office equipment, at cost	55,000	
Accumulated depreciation as at 1 January 2022:		
- Motor vehicle		9,000
- Office equipment		5,500
Salaries and wages	61,620	
Stock at 1 January 2022	60,262	
Carriage inwards	525	
Carriage outwards	963	
Utilities expenses	5,250	
Rent expenses	16,800	
Insurance expenses	40,062	
Bad debts	1,575	
Maintenance expenses	10,384	
	<b>772,129</b>	<b>772,129</b>

**Additional information:**

- (i) Stock at 31 December 2022 at cost is valued at RM68,925.
- (ii) The allowance for doubtful debts is to be equal to 5% of closing accounts receivable.
- (iii) Rent is prepaid by RM2,100 as at 31 December 2022.
- (iv) Salaries and wages accrued amounted to RM17,116 as at 31 December 2022.
- (v) Depreciation is to be charged as follows:
  - Motor vehicle at 25% on reducing balance basis
  - Office equipment at 10% on straight line basis

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

**Required**

- a) Statement of profit or loss for the year ended 31 December 2022. (10 marks)
- b) Statement of financial position as at 31 December 2022. (10 marks)

**[Total 20 Marks]**

**QUESTION 2**

Lotus Supplies extracted the following information for the month of April 2022:

Total Balances at 1 April 2022:

	<b>RM</b>
Sales ledger	27,066 Dr
Purchases ledger	16,428 Cr

Transaction totals for the month of April 2022:

	<b>RM</b>
Credit Sales	162,384
Discounts received	3,630
Bad debts	526
Credit Purchases	142,570
Returns inwards	6,600
Discounts allowed	5,220
Cheques received from accounts receivable	147,543
Returns outwards	3,210
Payments by cheque to accounts payable	122,413
Transfer of debit balance in sales ledger to purchases ledger	21,300
Interest charged to accounts receivable	6,800
Legal fees charged to accounts receivable	1,250
Cheque dishonoured by accounts receivable	2,500

**Required**

- a) Prepare for the month of April 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:

<b>Entry</b>	<b>Source</b>
<i>Sales made on credit term</i>	<i>Sales day book</i>

<b>No.</b>	<b>Entry</b>	<b>Source</b>
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 utilities expenses	

6.	Stock returned from credit suppliers	
7.	Adjustment for stationery expenses wrongly taken up	
8.	Bought goods by paying cash	

(8 marks)

[Total 20 Marks]

### QUESTION 3

Francis Kelvin owns a bakery business, FK Bakery that makes and sells pastries and bread items. During the financial year ended 31 December 2021 he incurred the following items of expenditure:

No.	Details
1.	Ingredients use in making the pastries and breads.
2.	Commission paid to the sales staff.
3.	Purchase of a combi oven and steamer for use in the business.
4.	Installation costs incurred before operating the combi oven and steamer.
5.	Wages of staff operating the combi oven and steamer.
6.	Purchase a second-hand delivery van.
7.	Utilities expenses incurred.
8.	Payment to insurance company for fire insurance coverage.
9.	Payment of architects' fees for designing the proposed new shop.
10.	Purchase of a new telephone system and furniture for the new shop.

#### 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.	Francis Kelvin's personal expenses are not recorded in the book of FK Bakery.
2.	FK Bakery paid the machines including installation and transportation, and recorded all the transactions in the book at costs.
3.	FK Bakery records cash sales and credit sales when the sale of pastries and bakery items 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 FK Bakery is to remain in business for the foreseeable future and is not expected to go out of business unless evidence proves otherwise.
7.	FK Bakery has another outlet in Indonesia and the financial statements are presented in Indonesian Rupiah.

8.	FK Bakery purchased the combi oven and steamer under the hire purchase arrangement. The transaction is recorded in the book although the legal title of the combi over and steamer is with the bank.
9.	The financial statements of FK Bakery 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

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

Date	Purchases	Issued
1 Sept	500 units @ RM120.00	
6 Sept		300 units
11 Sept	400 units @ RM130.00	
14 Sept		500 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**