PENINSULA COLLEGE GEORGETOWN

FINAL EXAMINATION

Programme Name	:	**FOUNDATION IN ARTS**
Course Code & Name	:	**FA1244 FINANCIAL ACCOUNTING**
Duration	:	**3 HOURS**

INSTRUCTIONS TO CANDIDATES:

1. Please read the instructions given in the question paper **CAREFULLY.**
2. The question paper consists of **FOUR (4)** questions.
3. Answer **ALL** questions in the question paper.
4. Answers to the questions are to be written into the examination booklet.
5. Electronic dictionaries, lecture notes, files or any unauthorised materials except writing equipment are strictly prohibited.

This question paper must be submitted along with all used and/or unused rough papers and/ or graph papers (if any). Candidates are **NOT ALLOWED** to take any examination paper(s) used or unused out of the examination hall.

WARNING:
The Examination Board of Peninsula College Georgetown regards cheating as a very serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in the accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from Peninsula College Georgetown.

(*This booklet contains 5 printed pages including this page*)

DO NOT OPEN THIS BOOKLET UNTIL YOU ARE ALLOWED TO DO SO

Answer **ALL** questions on the separate sheet provided. **[100 marks]**

1. a) Differentiate between Accounting and Bookkeeping? (4 marks)

b) List **THREE (3)** types of internal and external accounting users. (6 marks)

Users	Example
Internal user	i.
	ii.
	iii.
External user	iv.
	v.
	vi.

c) List **TWO (2)** characteristics of a sole proprietorship (5 marks)

d) List the relevant account in the following table. (10 marks)

No	Transaction	A /c to be debited	A /c to be credited
i.	Started a business with cash in hand		
ii.	Bought office stationery by cheque		
iii.	Paid cash for maintenance cost		
iv.	Returned goods to Pari due to packaging error		
v.	The owner withdrew goods and cash from the bank for self-use.		

Total: [25 marks]

2. Freddy a baker, extracted the following trial balance from his book for the year ended 31 December 2022.

	Debit (RM)	Credit (RM)
Motor van (at cost)	7,000	
Discount received		230
Bank Overdraft		50
Opening inventory	850	
General expenses	610	
Provision for depreciation: Equipment		2,000
Drawings	1,400	
Sales		30,490
Cash	30	
Account payable		845
Purchases	13,725	
Wages	3,880	
Advertising	420	
Telephone	160	
Equipment (at cost)	17,000	
Capital		11,460
	45,075	45,075

The following additional information is available at 31 December 2022

i. Inventory at year cost amounted to RM 960.

ii. Over the year Freddy took purchases for his personal use, for RM 320.

iii. The advertising was prepaid by RM 46.

iv. Depreciation is to be provided for as follows:
   - Equipment 30%, reducing balance method.
   - Motor van 15%, straight line (on cost) method.

v. The discount received of RM 80 has not yet been entered into the books.

You are required to prepare:

a) Statement of profit and loss for the year ended 31 December 2022. (12 marks)

b) Statement of financial position as at 31 December 2022.

(13 mark)
Total: [25 marks]

3. The following information relates to the goods purchased and sold at Kumar Enterprise in May 2022.

Date	Particular	Quantity / Per unit
May 1	Beginning inventory	50 units @RM 15.00
4	Purchases	140 units @ RM 15.50
11	Purchases	70 units @ RM 16.00
26	Sales	190 units @ RM 19.00
31	Sales	30 units @ RM 19.50

Based on the perpetual method, you are required to:

a) Explain **TWO (2)** systems that are usually to evaluate inventory. Differentiate the two systems. (5 marks)

b) Calculate the value of the **Ending Inventory** and the **Cost of Goods sold** using The FIFO method. (10 mark)

c) Calculate the value of the Ending **Inventory** and the **Cost of Goods Sold** using the Weighted Average method. (10 mark)

Total: [25 marks]

4. The following are extracts from the Cashbook (bank column) and the bank statement of Imaan Enterprise for September 2022.

Cash book (bank column)					
2022		RM	2022		RM
Sept 1	Balance b/d	7,200	Sept4	Rent Chq. No 34068	1,200
1	Sales	2,200	4	Stationery Chq. No34069	300
12	Ammar Trading	450	10	Adam Chq. No 34070	3,200
20	Izz Enterprise	300	13	Irfan Chq. No 34071	1,540
26	Iffah & Co	600	23	Naufal Chq. No 34072	730
			27	Dolly Ent Chq. No 34073	180
			30	Balance c/d	3,600
		10,750			10,750

Bank Statement for the month ended 30 September 2022

Date	Particulars	Debit (RM)	Credit (RM)	Balance (RM)
Sept 1	Balance b/d			7,200
4	Cheque No. 34068	1,200		6,000
11	Cheque No. 34069	300		5,700
12	Cash		2,200	7,900
13	Cheque No. 34070	3,200		4,700
20	Sharif Trading (Chq 67894)		450	5,150
23	Cheque No. 24781	1,540		3,610
26	Akmal Ent. (Chq 76065)		300	3,910
27	Cheque book	30		3,880
28	Insurance (Zurich)	320		3,560
30	Dividend		150	3,710

You are required to :

a) Define the meaning of the bank reconciliation and explain **TWO (2)** reasons for the difference between the balance in the bank statement and the company's cash book. (5 marks)

b) Prepare the adjusted cash book for Imaan Enterprise as of 30 September 2022. (10 marks)

c) Prepare the Bank Reconciliation Statement for Imaan Enterprise as at 30 September 2022 by using the adjusted cash book balance. (10 marks)

Total: [25 marks]

- END OF QUESTIONS -