

FINAL EXAMINATION

Programme Name	:	DIPLOMA OF ACCOUNTANCY DIPLOMA IN BUSINESS STUDIES DIPLOMA IN LOGISTICS MANAGEMENT DIPLOMA IN E-BUSINESS TECHNOLOGY
Course Code & Name	:	DBAC3013 I DEB1213 INTRODUCTION TO 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 4 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. Prepare a two-column cash book for Yumi Trading from the following details and balance it off as at the end of July.
 - a) 1 July, balance brought forward from last month: Cash RM 3,000.00, Bank RM 4,240.00.
 - b) 2 July, paid rental by cash RM 1,500.00.
 - c) 3 July, Winy lent us RM 12,000.00 paid by cheque.
 - d) 4 July, paid Simon by cheque RM 2,000.00.
 - e) 5 July, cash sales RM 800.00.
 - f) 7 July, Yati paid us by cheque RM 500.00.
 - g) 11 July, cash sales paid directly into the bank RM 600.00.
 - h) 15 July, Amin paid us in cash RM 700.00.
 - i) 16 July, bank in cash RM 400.00 into bank.
 - j) 19 July, repaired company lighting point and paid RM 2,000.00 by cheque.
 - k) 22 July, cash sales paid directly into bank RM 1,200.00.
 - l) 26 July, paid insurance expenses by cheque RM 460.00.
 - m) 27 July, paid for postage RM 100.00 by cash.
 - n) 30 July, withdraw RM 320.00 from the bank for personal use.
 - o) 31 July, paid wages in cash RM 1,000.00.
 - p) 31 July, paid Winy RM 10,000.00 by cheque and RM 2,000.00 by cash.
 - q) 31 July, withdraw RM 2,000.00 from the bank for office use.

Total: [25 marks]

2. a) A machine was acquired on 1 January 2023 at a cost of RM 100,000.00 with an installation cost of RM 10,000.00. It is expected that its total life will be 500,000 hours. During the year 2023, it worked for 100,000 hours and during the year 2024 for 150,000 hours. In the year 2025, it worked for 50,000 hours.

You are required to:

- i) Calculate the total costs for the machine. (1 mark)
- ii) Calculate the depreciation cost per hour. (1 mark)
- iii) Calculate the depreciation for the year 2023 to year 2025. (3 marks)

- b) On 1 January 2022, a bus was bought for RM 200,000.00. It will be used for four years, and then sold back to the supplier for RM 20,000.00. The depreciation charge for each year using the reducing balance method is at a rate of 25%. The following provided the market value for the bus from year 2022 to 2025.

Year	Market Value (RM)
2022	180,000
2023	170,000
2024	155,000
2025	120,000

You are required to:

- i) Calculate the opening book value, closing book value and depreciation of the bus using the reducing balance method from year 2022 to year 2025. (12 marks)
 - ii) Calculate the depreciation of the bus using the revaluation method from year 2022 to year 2025. (4 marks)
- c) List **FOUR (4)** causes of depreciation. (4 marks)
- Total: [25 marks]

3. a) A business, which started trading on 1 January 2018, adjusted its allowance for doubtful debts at the end of each year on a 5-percentage basis. The following details are available for the three years ended 31 December 2018, 2019 and 2020. On 1 June 2019, Gigi paid back RM 1,000.00 and on 25 December 2020, Karen paid back RM 500.00 which was recorded as bad debts during the year 2018.

Year	Bad debts written off during the year (RM)	Account receivable at 31 December (RM)
2018	6,000.00	75,000.00
2019	10,000.00	100,000.00
2020	12,000.00	80,000.00

You are required to:

- i) Calculate the allowance for doubtful debts from year 2018 to year 2020. (3 marks)
 - ii) Show Bad Debts Account from year 2018 to year 2020. (3 marks)
 - iii) Show Allowance for Doubtful Debts Account from year 2018 to year 2020. (3 marks)
 - iv) Show Bad Debts Recovered Account from year 2019 to 2020. (2 marks)
 - v) Show Profit and Loss Account from year 2018 to year 2020. (4 marks)
- b) Explain the term Bad Debts and list **FOUR (4)** causes of bad debts. (6 marks)

- c) Explain **TWO (2)** reasons to record the allowance for doubtful debts. (4 marks)
Total: [25 marks]

4. a) ABC Trading drew up the following trial balance as at 30 September 2020.

ABC Trading
Trial Balance as at 30 September 2020

	Debit (RM)	Credit (RM)
Citi Bank Loan		5,000.00
Capital		17,000.00
Drawings	8,420.00	
Cash at Bank		2,940.00
Cash at Hand	295.00	
Accounts Receivable	12,300.00	
Accounts Payable		9,370.00
Inventory at 1 October 2019	23,910.00	
Motor Car	4,100.00	
Office Equipment	6,250.00	
Sales		130,900.00
Purchases	92,100.00	
Sales Return	550.00	
Carriage Inwards	215.00	
Purchases Returns		308.00
Carriage Outwards	309.00	
Prepayments	200.00	
Accruals		4,000.00
Motor Car Expenses	1,630.00	
Bad Debts	300.00	
Rent	2,970.00	
Depreciation	1,035.00	
Accumulated Depreciation on Motor Car as at 30 September 2020		1,230.00
Accumulated Depreciation on Office Equipment as at 30 September 2020		1,875.00
Handphone Charges	405.00	
Salary	12,810.00	
Allowance for Doubtful Debts at 30 September 2020		369.00
Allowance for Doubtful Debts	40.00	
Security Deposit	3,000.00	
Insurance	492.00	
Security Charges	1,377.00	
Printing and Stationery	284.00	
	172,992.00	172,992.00

Inventory at 30 September 2020 was RM 25,050.00.

You are required to prepare:

- a) the Statement of Profit or Loss for the year ended 30 September 2020. (12.5 marks)
- b) the Statement of Financial Position as at 30 September 2020. (12.5 marks)
Total: [25 marks]

- END OF QUESTIONS -