PENINSULA COLLEGE GEORGETOWN

FINAL SEMESTER EXAMINATION

Programme	:	**DIPLOMA IN LOGISTICS MANAGEMENT** **DIPLOMA IN BUSINESS STUDIES** **DIPLOMA IN E-BUSINESS TECHNOLOGY**
Course	:	**INTRODUCTION TO ACCOUNTING**
Course Code	:	**DBAC 3013/ DEB 1213**
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.

WARNING:
The Examination Board of Peninsula College Georgetown 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 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*)

For examiner's use only

QUESTION NO.	MARKS
1	/ 25
2	/ 25
3	/ 25
4	/ 25
Total	**/ 100**

Answer **ALL FOUR (4)** questions on the separate sheet provided. **[100 marks]**

1. Write up a two-column cash book for a furniture shop from the following details and balance it off as at the end of the July. (25 marks)

   a) 1 July, started in business with capital in cash RM 10,000.00.

   b) 2 July, paid rent by cash RM 2,000.00.

   c) 3 July, Peter lent us RM 10,000.00 paid by cheque.

   d) 4 July, paid Winy by cheque RM 1,800.00.

   e) 5 July, cash sales RM 800.00.

   f) 7 July, Yati paid us by cheque RM 250.00.

   g) 9 July, paid Jenny in cash RM 500.00.

   h) 11 July, cash sales paid direct into the bank RM 600.00.

   i) 15 July, Amin paid us in cash RM 1,000.00.

   j) 16 July, bank in cash RM 4,000.00 into bank.

   k) 19 July, repaired company car and paid RM 2,000.00 by cheque.

   l) 22 July, cash sales paid direct into bank RM 1,500.00.

   m) 26 July, paid office expenses by cheque RM 420.00.

   n) 27 July, paid for postage RM 50.00 by cash.

   o) 30 July, withdraw RM 300 from bank for personal use.

   p) 31 July, paid wages in cash RM 1,500.00.

   q) 31 July, paid Peter RM 8,000.00 by cheque and RM 2,000.00 by cash.

   r) 31 July, withdraw RM 2,000.00 from bank for office use.

Total: [25 marks]

2. a) A machine was acquired on 1 January 2000 at a cost of RM 90,000.00 with the installation cost of RM 10,000.00. It is expected that its total life will be 400,000 hours. During year 2000, it worked for 120,000 hours and during year 2001 for 150,000 hours. Year 2002 worked for 80,000 hours and 50,000 hours for year 2003. You are required to:

   i) Calculate the total costs for the machine. (1 marks)

   ii) Calculate the depreciation cost per hour. (1 marks)

   iii) Calculate the depreciation for the year 2000 to year 2003. (4 marks)

b) At 1 January 2015, a bus is bought for RM 56,000.00, It will be used for four years, and then sold back to the supplier for RM 10,000.00. Show the depreciation calculations for each year using the reducing balance method at a rate of 25% and the straight-line method. You are required to:

i) Calculate the opening book value, closing book value and depreciation of the bus with reducing balance method. (12 marks)

ii) Calculate the depreciation of the bus with straight-line method. (1 marks)

c) List **THREE (3)** causes of depreciation. (3 marks)

d) List any **THREE (3)** methods of calculating depreciation other than Straight-Line Method, Reducing Balance Method and Machine Hour Method. (3 Marks)

Total: [25 marks]

3. a) ABC Trading drew up the following trial balance as at 31 May 2020. You are required to prepare:

i) the Statement of Profit or Loss for the year ended 31 May 2020. (10.5 marks)

ii) the Statement of Financial Position as at 31 May 2020. (8.5 marks)

ABC Trading
Trial Balance as at 31 May 2020

	Debit (RM)	Credit (RM)
CIMB Loan		5,000.00
Capital		30,000.00
Drawings	8,500.00	
Cash at Bank	3,215.00	
Cash at Hand	295.00	
Accounts Receivable	15,300.00	
Accounts Payable		9,500.00
Inventory 31 May 2019	20,910.00	
Motor Van	4,100.00	
Office Equipment	6,250.00	
Sales		130,900.00
Purchases	95,100.00	
Sales Return	650.00	
Carriage Inwards	215.00	
Purchases Returns		350.00
Carriage Outwards	935.00	
Motor Expenses	1,630.00	
Rent	3,000.00	
Telephone Charges	1,450.00	
Salary	12,000.00	
Admin Expenses	500.00	
Insurance	1,400.00	
Repaired Expenses	300.00	
	175,750.00	175,750.00

Inventory at 31 May 2020 was RM 25,500.00

b) Explain the following terms:

i) Net Profit (2 marks)

ii) Net Loss (2 marks)

iii) Gross Profit (2 marks)

Total: [25 marks]

4. a) A business, which started trading on 1 January 2017, adjusted its allowance for doubtful debt at the end of each year on a percentage basis, but each year the percentage rate is adjusted in accordance with the current economic climate. The following details are available for the four years ended 31 December 2017, 2018, 2019 and 2020. During 1 June 2019 Siti pay back RM 1,000.00 and 25 December 2020 Lilian pay back RM 500 who recorded as bad debts during year 2018.

Year	Bad debts written off during the year (RM)	Account receivable at 31 December (RM)	Percentage allowance for doubtful debts (%)
2017	2,480.00	84,000.00	5
2018	5,216.00	154,000.00	4
2019	10,620.00	172,000.00	3
2020	12,000.00	200,000.00	4

You are required to:

i) Calculate the allowance for doubtful debts for year 2017 to year 2020. (4 marks)

ii) Show Bad Debts Account from year 2017 to year 2020. (4 marks)

iii) Show Allowance for Doubtful Debts Account from year 2017 to year 2020. (4 marks)

iv) Show Bad Debts Recover Account from year 2019 to year 2020. (2 marks)

v) Show Profit and Loss Account from year 2017 to 2020. (5 marks)

b) Explain the term Bad Debts Recover. (2 marks)

c) Explain the term Bad Debts and list **TWO (2)** causes of bad debts. (4 marks)

Total: [25 marks]

- END OF QUESTIONS -