PENINSULA COLLEGE GEORGETOWN DK266-03(P)

FINAL EXAMINATION

Semester	:	**MAY 2024 SEMESTER**
Programme Name	:	**DIPLOMA IN BUSINESS STUDIES** **DIPLOMA OF ACCOUNTANCY** **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 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. a) Explain the following terms of account and give **TWO (2)** examples of each term: (8 marks)

   i. Non-current assets

   ii. Revenue

   iii. Expenses

   iv. Current assets

   b) Explain each of the following accounting assumptions and principles theory. (10 marks)

   i. Money measurement

   ii. Going concern

   iii. Separate entity

   iv. Accounting period

   v. Historical cost

   c. List down the accounting cycle in the correct order. (7 marks)

   Total : [25 marks]

2. Jasmani is a trader. The following transaction took place in April 2023.

April 3	Paid RM1000 into the bank from his own personal money
7	Paid RM360 to a supplier, Alexander, by telephone transfer
10	Cash sales, RM695, were paid directly into the bank account
12	Purchased goods, RM340, on credit from Alexander
15	Paid RM68 cash for the petrol
16	Paid rent, RM400, by standing order
23	Received a cheque, RM384, from a credit customer, Esme, in full settlement of an invoice for RM400
27	Paid RM323 by cheque to Alexander, having deducted RM17 cash discount
28	Purchased goods, RM235, on credit from Alexander

Required:

a) Compute Jasmani’s cash book and the balance of the cash book bring down the balance on 1 May 2023. (15 marks)

b) Prepare the account for Alexander for April 2023. Balance the account and bring down the balance at 1 May 2023. (6 marks)

Jasmani buys all his supplies from Alexander who does not allow Jasmani any trade discount. Jasmani is now considering also purchasing supplies from Tahir who would offer him 3% trade discount but no cash discount.

Required:

Advise Jasmani whether he should choose:
Option 1 – purchase suppliers from Alexander only, or
Option 2 – purchase suppliers from both Alexander and Tahir

c) Justify your answer by providing **THREE (3)** advantages and **ONE (1)** disadvantage of the option you have chosen. (4 marks)

Total : [25 marks]

3. Fatima is a sole trader. She prepares her financial statement to the end of May each year. At 31 May 2023, Fatima's trial balance included the following:

Detail	RM
Sales	21,000
Purchase	12,000
Inventory 1 May 2023	18,500
Inventory 31 May 2023	10,000
Carriage inward	300
Carriage outward	250
Return Inward	550
Return outward	500
Salaries and wages	2,500
Motor expenses	700
Rental paid	600
Discount received	700
Rental received	500
Insurance	1,200
Building	1,700
Motor Vehicle	2,500
Debtors	5,000
Long term loan	4,500
Creditors	3,500
Bank Overdraft	4,000
Cash in hand	200
Drawing	2,200
Capital	13,500

Required:

a) Prepare the trial balance as at 31 May 2023 based on the above information. (12 marks)

b) Prepare the profit and loss statement for the year ended 31 May 2023. (13 marks)

Total : [25 marks]

4. The following is the business transaction for Mr. John for the month of April year 2023:

Date	Transactions	RM
April 1	Credit purchase from Ahmad Baba	240
3	Credit purchase from Chong Lee Mo	612
4	Credit sales to Muthu Samy	436
9	Credit sales to Wong Mu	370
10	Credit purchase from Swift &CO	847
14	Credit purchase from Ahmad Baba	280
15	Credit sales to Muthu Samy	642
21	Credit sales to Rina Gomez	584

Required:

a) Compute the items in the purchase daybook and sales daybook (10 marks)

b) Relate the items to the relevant account in the purchase ledger and sales ledger. (10 marks)

c) Record the transfer to the relevant account in the general ledger at the end of the month. (2 marks)

d) Label the following table. Name the book of prime (original) entry in which Mr. John would record the transaction listed. (3 marks)

	Book of prime (original)Entry
John sold goods, RM 250 to Farhad	
Farhad returned half of the goods bought on 5 January.	
Farhad paid the amount owed on 1 January having deducted a 3% cash discount.	

Total : [25 marks]

- END OF QUESTIONS -