

Adventist University of Central Africa
Faculty of Business Administration
Course Title: Principles of Accounting I
First Semester (2023/2024)

Duration: 1h30

Student ID#:

Expected turn up:

Teacher: Mr. BYIRINGIRO Benjamin

Class time: Wednesday 2:30-5:00; 6-8:50PM

Exam Date:

SECTION 1 **MULTIPLE CHOICES** **10 marks**

- | | |
|-------------------|---|
| QUESTION 1 2marks | c) Corporation |
| QUESTION 2 2marks | d) Frw117 million |
| QUESTION 3 2marks | a) Increase both assets and Owners' equity by Frw50,000 |
| QUESTION 4 2marks | b) Credits |
| QUESTION 5 2marks | d) Frw130,000 |

SECTION 2 **PROBLEMS** **20 marks**

QUESTION 6 10 MARKS

1. The correct classified Statement of Financial Position, and dated correctly:

Electronic Tax Service Balance Sheet As on October 31, 2017 Currency: Frw			
<u>ASSETS</u>		<u>LIABILITIES AND EQUITY</u>	
<i>Current Assets</i>		<i>Current Liabilities:</i>	
Cash	5,400	Accounts payable	3,000
Accounts receivable	2,600	Note payable	<u>21,000</u>
Notes receivable	3,000		24,000
Office supplies	<u>800</u>		
	11,800		
<i>Non-current Assets</i>			
Land	31,500		
Office furniture	<u>6,700</u>	Owner's equity	<u>26,000</u>
	<u>38,200</u>		
TOTAL ASSETS	50,000	TOTAL LIABILITIES & OE	50,000

2. Accounts that should *not* be presented on the balance sheet. State why you excluded them from the correct balance sheet you prepared. Where should these items be reported?

a)

Insurance expense
Salary expense
Interest expense
Utilities expense

- b) These accounts are excluded from the corrected balance sheet as they are not part of permanent accounts that only have to appear on a balance sheet.
- c) They will be reported in the income statement

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QUESTION 7 10 MARKS

**Westview Landscaping
General Journal
For the month ended March 31
Currency: Frw**

Date	Account title and explanation	Reference	Debit	Credit
1-Mar	Cash account	211	70,000,000	
	Ray Hawk capital account	511		70,000,000
	Being business start-up			
2-Mar	Supplies account	214	200,000	
	Accounts payable	411		200,000
	Supplies credit purchase			
4-Mar	Building account	311	60,000,000	
	Cash account	211		60,000,000
	For building acquisition			
6-Mar	Cash account	211	3,000,000	
	Service revenue	611		3,000,000
	For performed services			
9-Mar	Accounts payable	411	100,000	
	Cash account			100,000
	For payment to creditors			
17-Mar	Accounts receivable	213	1,600,000	
	Service revenues	611		1,600,000
	For services performed on credit			
23-Mar	Cash account	211	1,200,000	
	Accounts receivable	213		1,200,000
	Cash collection from debtors			
31-Mar	Salaries expense account	711	1,200,000	
	Rent expense account	712	500,000	
	Cash account	211		1,700,000
	For different operating expenses			
	TOTAL		137,800,000	137,800,000

Good Luck
