

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:

Instructions:

/30pts

- 1) Attempt all questions and remember to submit both questionnaire and exam booklet
- 2) Only pens and calculators are allowed, and everyone must use his/her own calculator.
- 3) Write neatly and legibly. Do not write anything on this questionnaire

SECTION 1	MULTIPLE CHOICES	10 marks
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QUESTION1	2marks	c) Decreases both assets and owners' equity
QUESTION 2	2marks	a) Frw90,000
QUESTION 3	2marks	d) Results of operations for a specific period
QUESTION 4	2marks	b) Debits
QUESTION 5	2marks	b) Frw3,000

SECTION 2	PROBLEMS	20 marks
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QUESTION 6 10 MARKS

a) Income statement for the year ended December 31, 2019

4 marks

Collins Photographic Studio Statement of Financial Performance For the Year Ended December 31, 2018 Currency: Frw		
Service revenue		70,000,000
<i>Less: Operating expenses</i>		
Salary expense	22,000,000	
Rent expense	7,000,000	
Advertising expense	<u>4,000,000</u>	<u>(33,000,000)</u>
Operating Profit		37,000,000
Add: other incomes		0
<u>Less: other expenses</u>		<u>0</u>
Profit before tax		37,000,000
<u>Less: Income tax</u>		<u>0</u>
Net Profit		37,000,000

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b) Balance sheet at December 31, 2019

6 marks

Collins Photographic Studio Statement of Financial Performance For the Year Ended December 31, 2018 Currency: Frw			
ASSETS		LIABILITIES & EQUITY	
<i>Current Assets:</i>		<i>Current liabilities:</i>	
Cash	16,000,000	Accounts payable	6,000,000
Accounts receivable	<u>8,000,000</u>	Note payable	<u>12,000,000</u>
	24,000,000		18,000,000
<i>Non-current Assets:</i>		<i>Non-current liabilities</i>	
Equipment	65,000,000		0
		<i>Equity:</i>	
		L. Collins, Capital	71,000,000
TOTAL	89,000,000	TOTAL	89,000,000

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QUESTION 7 10 MARKS

**Art Levitt, M.D.
General Journal
For the month ended June 30
Currency: Frw**

Date	Account title and explanation	Reference	Debit	Credit
1-Jun	Cash account	2221	55,000	
	Art Levitt, Capital	5551		55,000
	Being business start-up			
5-Jun	Rent expense account		700	
	Cash account	2221		700
	Being paid rental cost			
9-Jun	Land account	3331	22,000	
	Cash account	2221		22,000
	For land acquisition			
10-Jun	Supplies account	2223	1,200	
	Accounts payable	4441		1,200
	Credit purchase for supplies			
19-Jun	Cash account	2221	20,000	
	Note payable	4442		20,000
	For a bank loan			
22-Jun	Accounts payable	4441	1,000	
	Cash account	2221		1,000
	Payment to creditors			
30-Jun	Cash account	2221	6,000	
	Accounts receivable	2222	5,000	
	Service revenues	6661		11,000
	Cash and credit performed services			
	Salaries expense account	7771	2,400	
	Rent expense account	7772	1,500	
	Utilities expense account	7773	400	
	Cash account	2221		4,300
	For different operating expenses			
	Art Levitt, Drawings (or Withdrawal) account	(5,551)	10,000	
	Cash account	2221		10,000
	Owners' drawing			
	TOTAL		125,200	125,200

Good Luck
