

FOON YEW HIGH SCHOOL JOHOR BAHRU  
SENIOR MIDDLE ONE ARTS AND COMMERCE CLASS  
BOOKKEEPING AND ACCOUNTS FINAL EXAMINATION 2018

Date: 9-11-2018

Time: 8.00am-10.00am

NAME: \_\_\_\_\_(     )     STUDENT ID: \_\_\_\_\_ CLASS: SM1AC (     )     TEACHER: \_\_\_\_\_.

**Section A: Multiple Choice Questions (8%)**

1. A firm sold goods on credit. Which document does the firm use to record this?  
A. Debit Note                      B. Credit Note                      C. Invoice                      D. Delivery Notes
2. A creditor's account in a customer's books has a credit balance of RM5,000. What does this mean?  
A. The customer has paid the creditor RM5,000  
B. The customer owes the creditor RM5,000  
C. The supplier owes customer RM5,000  
D. The creditor has paid the debts RM5,000
3. The owner of a business withdraws some goods for private purpose. What should he do in his book?  
A. Debit: Drawings Account                      Credit: Inventory Account  
B. Debit: Drawings Account                      Credit: Sales Account  
C. Debit: Drawings Account                      Credit: Capital Account  
D. Debit: Drawings Account                      Credit: Purchases Account
4. Which of the following are financial statements?  
I. Trial balance                      II. Income statement  
III. Statement of financial position                      IV. Ledgers  
A. I, IV                      B. II, III                      C. II, III, IV                      D. I, II, III
5. Accounting Cycle is \_\_\_\_\_.  
A. Journalising, extracting trial balance, posting, adjusting, closing, preparing reports  
B. Journalising, posting, preparing reports, extracting trial balance, adjusting, closing  
C. Extracting trial balance, journalising, posting, adjusting, closing, preparing reports  
D. Journalising, posting, extracting trial balance, adjusting, closing, preparing reports
6. Which of the following accounts would usually have a debit balance?  
I. Purchases                      II. Returns inwards                      III. Petty Cash                      IV. Distribution costs  
A. I, II                      B. I, III                      C. I, III, IV                      D. I, II, III, IV
7. Which of the following double entries are correct?

	Transactions	Account to be debited	Account to be credited
I.	Deposited cash into bank	Bank	Cash
II.	Sold goods to customers on credit	Trade receivables	Sales
III.	Goods returned to cash suppliers	Accounts Payables	Purchases Returns

- A. I, II                      B. II, III                      C. I, II, III                      D. I, III

8. The following information of a company were available for the year of 2017:

	RM		RM
Inventory, 1 January 2017	90,750	Sales	291,730
Inventory, 31 December 2017	89,500	Carriage Inwards	1,500
Purchases	105,680	Custom Duty	2,800

Cost of Sales of the company for 2017 was RM \_\_\_\_\_.

- A. 290,230                      B. 102,680                      C. 111,230                      D. 105,630

## **Section B : Subjective Questions (92%)**

### **Question 1 (8%) [Answer this question in the answer sheet provided]**

### **Question 2 (20%)**

VW Co. is a company which provides transport service. The company decided to depreciate its Motor Vehicles at the rate of 10% per annum on cost. A full year's depreciation is charged on the year of acquisition, but none on the year of disposal.

The balances of Motor Vehicles account as at 31 December 2016 was RM 60,000 and its carrying amount was RM40,000.

During the year of 2017, the following transactions had taken place as follows:

Mar 31: Bought a new motor vehicle for RM 20,000.

Aug 31: One of the motor vehicle which bought on 1 January 2015 amounted to RM15,000 was traded in for RM8,200 as part payment for a new motor vehicle costing RM25,000, and the balance was settled by cheque immediately.

Sep 30: The motor vehicle bought on 31 March 2017 was involved in a major road accident, and as a result, it was completely written off. The company received a claim of RM14,800 from Global Insurance Company on 31 December 2017.

You are required to prepare the following accounts for the year ended 31 December 2017:

- (a) Motor Vehicles Account
- (b) Accumulated Depreciation of Motor Vehicles Account
- (c) Disposal of Motor Vehicles Account

### **Question 3 (30%)**

Wilson Company manufactures shoes. The following balances were extracted from the books of the company as at 31 December 2017:

	RM
Inventory at 1 January 2017	
- Raw Materials	45,000
- Work in Progress	21,000
- Finished Goods	28,000
- Loose Tools	4,000
Indirect Production Overheads	8,000
Indirect Wages	15,000
Office Expenses	8,000
Purchases	
- Raw Material	120,000
- Finished Goods	25,000
- Loose Tools	1,000
Returns Inwards	6,000
Carriage Inwards on Raw Material	5,000
Production Wages	80,000
Machinery Repair Expenses	10,500
Royalties	20,000
Insurances	8,000
Factory Water and Electricity	15,000
Rent and Rates	12,000
Sales of finished goods	520,000
Scrap sales of raw materials	1,000
Depreciation of Plant and Machinery	24,000
Returns Outwards on raw materials	10,500

Additional information:

i. Inventory at 31 December 2017 were:

	RM
Raw Materials	48,000
Work in Progress	25,000
Finished Goods	30,800
Loose Tools	3,500

ii. Accrued production wages was RM 8,000.

iii. Prepaid Rent and Rates was RM 2,000.

iv. Rent and Rates and Insurance were apportioned as follows:

Factory	70%
Office	30%

v. Completed goods was transferred from factory at standard cost of RM400,000.

You are required to prepare:

(a) Manufacturing Account for the year ended 31 December 2017

(b) Income Statement (Trading Account Section only) for the year ended 31 December 2017

**Question 4 (34%)**

The following Trial Balance had been extracted from the books of HM Trading for the year ended 31 March 2018:

HM Trading  
Trial Balance as at 31 March 2018

	Debit RM	Credit RM
Capital		130,000
Land and Building	155,000	
Bank		7,500
Gross Profit		42,580
Inventory as at 31 March 2018	5,000	
Accounts Receivable	21,500	
Drawings	1,500	
Insurance and Rates	2,000	
Printing and Stationery	700	
Salaries	12,000	
Motor Vehicles at cost	35,000	
Loss on Disposal of Motor Vehicle	1,400	
Water and Electricity	5,600	
Accounts Payable		21,400
Loan from RHB		50,000
Interest on Loan	500	
Interest on Fixed Deposit		900
Selling and Distribution Expenses	6,180	
Allowance for Doubtful Debts		1,500
Short-term Investments	10,000	
Bank Fixed Deposit	12,000	
Accumulated Depreciation of Motor Vehicles		15,000
Cash in hand	500	
	268,880	268,880

Additional Information:

- i. Inventory of stationery was RM 300.
- ii. Interest on overdraft due and unpaid was RM120.
- iii. Insurance for the year amounting to RM1,200 which was paid up to 30 June 2018.
- iv. Depreciation of Motor Vehicles was charged at 20% per annum on reducing balance method.
- v. Bad debts RM 500 was to be written off, and to provide an allowance for doubtful debts at 5% on the remaining accounts receivable.

You are required to prepare:

- (a) Income Statement (Extracted) for the year ended 31 March 2018
- (b) Statement of Financial Position as at 31 March 2018.