

- 1 Accounting cycle is \_\_\_\_\_.
- ☒ A journalizing, extracting trial balance, posting, adjusting, closing accounts, preparing reports
- B journalizing, posting, extracting trial balance, adjusting, closing accounts, preparing reports
- C extracting trial balance, journalizing, closing accounts, preparing reports, posting, adjusting
- D journalizing, posting, adjusting, preparing reports, extracting trial balance, closing accounts
- 2 Ding started his video business on 1 March 2021. He rented a shop and paid the first year's rental of RM 12,000 on 1 June 2021. His financial year ended on 28 February 2022. How many months of rental was paid in advance for the financial year?
- ☒ A 2 months
- B 4 months
- C 3 months
- D 5 months

- 3 Motor maintenance of RM 450 was debited in the motor vehicles account and credited in the cash account.

Based in the transaction, the correct journal entry for this transaction is \_\_\_\_\_.

- A Dr Motor Maintenance RM 450  
Cr Motor Vehicles RM 450
- B Dr Motor Maintenance RM 900  
Cr Motor Vehicles RM 900
- C Dr Motor Vehicles RM 450  
Cr Motor Maintenance RM 450
- ☒ D Dr Motor Vehicles RM 900  
Cr Motor Maintenance RM 900
- 4 Which of the following is a capital expenditure?
- A Depreciation of motor vehicles
- B Minor repair of motor vehicles
- C Loss on disposal of motor vehicles
- ☒ D Wages and spare parts for improvement of motor vehicles
- 5 Which of the following statements are true if closing inventory is understated?
- I Net profit will decrease. /
- II Net current assets will decrease. /
- III Owner's equity will increase. /
- IV Cost of sales will increase. /
- A I, II, III
- ☒ B I, II, IV
- C I, III, IV
- D II, III, IV
- 6 Carriage Inwards is charged to the Trading Account because
- A It is an expense connected with buying goods
- B It should not go in the Statement Of Financial Position
- ☒ C It is not part of motor expenses
- D Carriage outwards goes in the Profit and Loss Account



- 7 RM 50 cash taken from the cash till and banked is entered:
- A Debit cash column RM 50 ; Credit bank column RM 50  
☒ B Debit bank column RM 50 ; Credit cash column RM 50  
 C Debit cash column RM 50 ; Credit cash column RM 50  
 D Debit bank column RM 50 ; Credit bank column RM 50

- 8 Which of the following are correct?

	Account to be debited	Account to be credited
i) Goods sold on credit to Roger	Roger	Sales
ii) John returns goods to us	Returns Inwards	John
iii) We returned goods to Nelson	Nelson	Returns Inwards
iv) Motor Van bought for cash	Purchases	Cash

- A I, II  
☒ C I, II, IV  
 B I, III  
 D III, IV
- 9 Given below is a Statement Of Financial Position extract as at 31 December 2020:

	RM	RM
Accounts Receivable	200,000	
Less: Allowance for Doubtful debts	(10,000)	
		190,000

In 2021, it is decided to maintain the same rate of Allowance for Doubtful debts as for 2020. If the balance of accounts receivable in 2021 amount to RM 230,000, what is the amount of allowance for doubtful debts to be debited to the profit and loss account?

- ☒ A RM 11,500  
 C RM 21,500  
 B RM 1,500  
 D RM 8,500
- 10 A business maintains its petty cash float at RM 300 every month. It decided to increase the float to RM 450 starting from April 2022. During the month of March, it paid RM 238 out of the petty cash. What is the amount to be reimbursed on 1 April 2022?

- A RM 62  
 C RM 150

- ☒ B RM 212  
 D RM 388

- 11 Under what circumstances will goodwill be brought into a partnership's books?

- A When an old partner retires  
 C When a partnership dissolves

- ☒ B When a partner withdraws goods  
 D When a partner brings in additional capital

- 12 When a partnership is dissolved, what is the journal entry for the loss on realisation?

- ☒ A Dr Realisation  
 Cr Profit And Loss  
 C Dr Realisation  
 Cr Partners' Capital

- B Dr Profit And Loss  
 Cr Realisation  
 D Dr Partners' Capital  
 Cr Realisation





- 13 The balance of Accounts Receivable Ledger Control as at 1 December 2021 was RM 10,300 and RM 14,050 as at 31 December 2021. During the month of December, the amount received from credit customers were RM 60,000, cash sales was RM 5,000, discounts allowed was RM 400, allowance for doubtful debts was RM 300. What is the amount of credit sales?

A	RM61,650	B	RM69,150
<input checked="" type="radio"/> C	RM64,150	D	RM69,175

- 14 Which of the following is shown in the Statement Of Changes In Equity of a limited company?

A	Goodwill	B	Dividends paid
C	Formation Expenses	<input checked="" type="radio"/> D	Dividends proposed

- 15 You are given the following information:

	RM
Production cost	1,000,000
Opening inventory of finished goods	95,000
Closing inventory of finished goods	85,000

The finished goods are sold at the mark-up of 15%. You are required to calculate the sales amount.

A	RM 1,357,000	B	RM 1,150,000
<input checked="" type="radio"/> C	RM 1,161,500	D	RM 943,000

- 16 In departmental accounts, which of the following indirect expenses that need to be apportioned to their respective departments?

I	Building insurance	IV	General manager's salaries
II	Building rent	V	Departmental manager's salaries
III	Water and electricity	VI	Departmental staff salaries
<input checked="" type="radio"/> A	I, II, III	B	I, II, III, IV
C	IV, V, VI	D	I, II, V, VI

- 17 When an discounted bill of exchange was dishonoured at maturity, which of the following account in the seller's book should be credited?

A	Accounts Receivable	<input checked="" type="radio"/> B	Bank
C	Accounts Payable	D	Discounting Charges

- 18 Which of the following items is not recorded in a Consignment account?

A	Expenses paid by consignee
B	Unsold goods consigned
<input checked="" type="radio"/> C	Cash Sales made by consignee
D	Payment received from consignment debtors



19 The main purpose for the Head Office to keep all the branch accounts in its ledger are to \_\_\_\_\_.

I find the cost of sales of each branch

II ascertain the profitability of each branch

III record changes in assets, liability and capital

IV check whether there are inventory loss at the branches

A  
C

I, III

I, III, IV

B

II, IV

D

II, III, IV

20 In a business purchase, if liabilities are taken over by the buyer, which account should it credited in the seller's books?

A  
C

Liabilities

Realisation

B

Bank

D

Buyer

