FOON YEW HIGH SCHOOL JOHOR BAHRU
SENIOR MIDDLE ONE ARTS AND COMMERCE CLASS
BOOKKEEPING AND ACCOUNTS FINAL EXAMINATION 2019
Date: 05 November 2019 Time：08:00 a.m.~10:00 a.m.

Name:__________________( ) Class: S.M.1AC ( ) Student ID:____________

Section A: Multiple-Choice Questions (10*1.5%)

You are required to answer this section stated in the ANSWER SHEET provided.

1. If the estimated useful life of an asset is 4 years, the straight line depreciation rate would be **(11.5)**

A. 10% B. 20% C. 25% D. 40%

2. Which of the following accounts is a contra-asset account and is to be deducted from the accounts receivable? **(9.3)**

A. Bad Debts
B. Sales Returns
C. Accumulated Depreciation of Motor Van
D. Allowance For Doubtful Debts

3. The sales ledger control account may have a credit balance. What are the possible causes? **(10.4)**

I Debtors return goods after settling the debts
II Debtors pay more than the amount owed
III Debtors are undercharged
IV Debtors are overcharged

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

4. Which of the following items should not be recorded in the control accounts? **(10)**

A. Customers' cheques dishonoured
B. Cash refund to debtors for overpayment
C. bought stationery on credit for sales
D. bought stationery on credit for own use

5. How should the allowance for doubtful debts be shown in a trial balance? **(9.3)**

A. As a debit balance
B. As a credit balance
C. As a debit or credit balance
D. Not shown, as it is part of bad debts

6. A machine was bought on 1 January 2016. Its carrying amount was RM 51,200 after two years. Depreciation was charged at 20% per annum on carrying amount. What was its original cost? **(11.5)**

A. RM 60,000 B. RM 64,000 C. RM 80,000 D. RM 256,000

7. What will be the effect if accrued income is not adjusted at the end of a year? **(12.2)**

A. Asset and Net Profit will be undercast
B. Asset and Net Profit will be overcast
C. Liability and Net Profit will be undercast
D. Liability and Net Profit will be overcast

8. The following show the information of a company for the year ended 31 December 2018: **(10)**

	RM
Sales ledger control, 1 January 2018	25,745
Allowance for doubtful debts, 1 January 2018	1,000
Decrease in allowance for doubtful debts	200
Bad debts written off	525
Bad debts recovered	200
Discounts allowed (out of which RM 100 was withdrawn)	800
Receipts from customers (including cash sales of RM 3,000)	65,970
Returns of damaged goods by credit customers	650
Sales ledger control, 31 December 2018	21,600

What is the figure of credit sales for the year ended 31 December 2018？

A. RM 60,500 B. RM 60,700 C. RM 60,900 D. RM 61,100

9. If a manufacturing company transfers finished goods to trading account at a production cost plus 5% for the manufacturing profit, the amount of the manufacturing profit is accounted for as ________. **(19.3)**
   A. Debit Trading Account Credit Manufacturing Account
   B. Debit Profit And Loss Account Credit Manufacturing Account
   C. Debit Manufacturing Account Credit Profit And Loss Account
   D. Debit Manufacturing Account Credit Trading Account

10. Which of the following classifications is correct? **(12)**
    I Drawings →Equity
    II Accrued Interest Income →Current Liabilities
    III Deposit of rent payable →Current Assets
    IV Loan repayable within 1 year →Non-current Liabilities
    A. I, II B. I, III C. II, IV D. III, IV

Section B : Subjective Questions (85%)

Question 1 （20%）(11)

Calvin Company is an import and export agency.
On 1 January 2018, the opening balance of Motor Vehicles Account was RM 120,000 at cost, and its carrying value was RM 45,000.

The following transactions on motor vehicles had taken place during the year 2018:

2018

Jan 15 Bought a motor vehicle costing RM 30,000.

Apr 30 Sold an old motor vehicle for RM 5,000. This old motor vehicle was bought on 1 October 2013 at a cost of RM 30,000.

Aug 1 An old motor vehicle cost RM 36,000 bought on 1 November 2015 was traded in with a new motor vehicle cost RM 60,000. Calvin Company paid RM 50,000 by cheque to settle the full payment of the new motor vehicle.

Calvin Company's depreciation policy is as follows:

(i) Motor vehicles are depreciated at 25% per annum on cost (i.e. with an estimated useful life of 4 years)

(ii) To charge a full year's depreciation for any motor vehicle bought before July in any year. Any motor vehicle acquired in the second-half year of any year would be charged with half a year's depreciation. No depreciation was to be charged in the year of disposal.

You are required to prepare the following accounts for the year ended 31 December 2018:

a) Motor Vehicles ;
b) Accumulated Depreciation - Motor Vehicles;
c) Disposal of Motor Vehicles.

Question 2 （35%）**(12)**

Kevin was dealing in bicycle and spare parts, the following was the Trial Balance of Kevin as at 31 December 2018：

	Debit	Credit
	RM	RM
Gross Profit		75,650
Capital		150,000
Trade Receivables and Trade Payables	26,500	23,500
Rental Expenses	13,250	
Interest On Mortgage Loan	2,400	
Inventory at 31 December 2018	18,850	
Mortgage Loan On Property (Repayable 2019)		62,500
Allowance For Doubtful Debts		1,100
Discounts	1,750	1,250
Investment Income		3,000
Drawings	6,500	
Cash And Bank	9,900	
Freehold Property	120,000	
Administrative Expenses	22,250	
Motor Vehicles Running Cost	3,500	
Carriage On Sales	2,200	
Rates And Insurance	8,500	
Short-term Investment	20,000	
Motor Vehicles	75,000	
Accumulated Depreciation Of Motor Vehicles		15,000
Bad Debts Recovered		600
Loan To Employee	2,000	
	332,600	332,600

Additional Information：

1. Interest on mortgage loan outstanding was amounted to RM 1,350.
2. Rental expenses included deposit in advance RM 1,250.
3. Kevin had given a bicycle costing RM 650 to his son as a birthday gift.
4. Insurance amounting to RM 4,500 which was paid for 9 months up to 30 June 2019.
5. Bad debts of RM 1,500 was to be written off, and to adjust allowance for doubtful debts at 4% on the remaining trade receivables.
6. Motor vehicles was depreciated at 10% per annum on straight line method

You are required to prepare:

(a) Income Statement（Profit and Loss Account section only）for the half-year ended 31 December 2018;

(b) Statement of Financial Position as at 31 December 2018.

Question 3 （30%） **(19)**

The following balances were extracted from the books of KK Lee Manufacturing Bhd as at 30 June 2019.

	RM
Machinery, at cost	126,000
Accumulated Depreciation Of Machinery	24,000
Raw Materials Returned	3,400
Carriage On Raw Materials	3,000
Returns Inwards	3,250
Subcontract Cost	3,000
Royalties Received	5,400
Water And Electricity	12,000
Production Wages	15,600
Indirect Materials	8,800
Repairs Of Machinery	3,800
Factory Supervisor Salaries	12,000
Administrative Expenses	6,500
Inventory, 1 July 2018	
—Raw Materials	43,000
—Work-in-progress, at factory cost	22,500
—Finished Goods, at transfer price	24,500
—Factory Loose Tools	8,500
Sales	
—Finished Goods	293,250
—Scrap Of Raw Materials	5,400
Purchases	
—Finished Goods	14,500
—Raw Materials	123,400
Rent and Rates	
—Office	48,000
—Factory	60,000

The following items should be taken into account:

(i) Value of Inventory as at 30 June 2019：

	RM
Raw Materials	42,000
Work-in-progress, at factory cost	21,000
Finished Goods, at transfer price	37,500
Factory Loose Tools	1,600

(ii) Depreciation of machinery was 15% per annum on carrying amount.

(iii) One third of the rent and rates were paid in advance.

(iv) Production wages unpaid amounting to RM 2,400.

(v) Administration expenses and water and electricity were apportioned between factory and office in the ratio of 3:2.

(vi) Finished goods were transferred to trading account at standard cost of RM 250,000.

You are required to prepare the following financial statements in vertical form for the year ended 30 June 2019：

(a) Manufacturing Account

(b) Income Statement（Trading Account section only）