

Chung Ling (Private) High School

UEC Trial Examination 2021

Senior Middle 3 (S3CF/ CK / CL / CT)

Bookkeeping

Paper 1 Multiple-Choice Questions

Time: 30 minutes

INSTRUCTIONS TO CANDIDATES

1. This subject comprises 2 papers: Paper 1: Multiple-choice questions (20%)
Paper 2: Subjective Questions (80%)
2. Complete Paper 1 within the 30 minutes allocated.
3. Attempt all the 20 questions in paper 1. For each question, select the correct or the best answer and blacken the square corresponding to the same letter of the English alphabet as the answer you have selected. Mark the answer with a 5B pencil on answer sheet 'O'.
4. Electronic calculator may be used for calculation.
5. This paper consists of 5 printed pages.

<p>DO NOT TURN OVER THIS PAGE UNTIL YOU ARE TOLD TO DO SO</p>

Name: _____ School No.: _____ Class: _____

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Checked by: Lee Cheng Ai

Approved by: Koid Khee Khim

1. Which of the following statement are correct?

- I Non-Current Assets are assets that the business intends to keep and make use of for a long time (more than one year). ✓
- II Current Assets are assets that are frequently changing in value (within a year).
- III Non-current Liabilities are liabilities that will be settled within a year. ✗
- IV Equity are debts that a business owes to its owner.

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

2. A person (or a business) who owes money to a business for goods or services supplied to him / her is called.....

- A. Other Receivables
- B. Other Payables
- C. Accounts Payable
- D. Accounts Receivable**

3. Which of the following items are recorded in debit side of Trial Balance?

- I Ordinary Share Capital ✗
- II Investment (Quoted) ✓
- III Consignee ✓
- IV Branch Current ✓

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

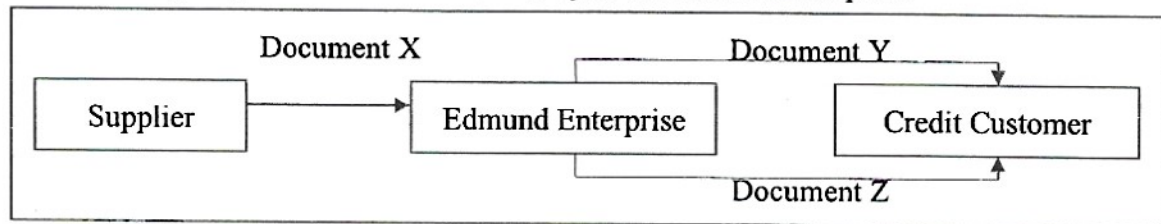
4. Following were the financial position of Tian Wei Trading on 1 January 2021:

	RM		RM
Δ Goodwill	10,000	Δ Machinery	35,000
Δ Investment	15,000	Δ Salary paid in advance	3,000
Δ Loan Notes	30,000	Δ Trade Receivables	5,000
Δ Trade Payables	8,000	Δ Petty Cash	500

What is the capital of Tian Wei Trading on 1 January 2021?

A. RM84,500 **B. RM30,500** C. RM24,500 D. RM60,500

5. The following diagram shown the business cycle of Edmund Enterprise:



Document X was regarding goods returned by Edmund Enterprise to the supplier.

Document Y was regarding goods sold on credit to a customer.

Document Z was regarding goods overcharged to the credit customer.

What is the documents represented by X, Y and Z?

	<u>Document X</u>	<u>Document Y</u>	<u>Document Z</u>
A.	Cash Bill	Receipts	Debit Note
B.	Invoice	Credit Note	Debit Note
C.	Debit Note	Invoice	Credit Note
D.	Credit Note	Invoice	Credit Note

6. What is the purpose of Trade Discount?
A. to encourage prompt payment of the amount owed. ✗
B. a reduction to customer when he / she buys goods in bulk. ✓
C. a reduction from the amount owed if the debts is settled within a specified period. ✗
D. a reduction when full settlement of the amount owed had been made. ✗
7. Imprest System was usually using when a business preparing it....
A. Cash Book
B. Bank Reconciliation
C. Trial Balance
D. Petty Cash Book
8. An invoice amounted RM500 was sent to Ke Fei on 1 February 2021. Payment term of the invoice stated: 5% 10 days; 3% 30 days. What is the amount should be paid by Ke Fei if she makes the payment on 9 February 2021?
A. RM475 B. RM450 C. RM485 D. RM500
9. Nanern bought a typewriter on credit from Xun Tee Bhd for RM1,000 on 1 May 2019. This typewriter had a useful life of 5 years with no residual value. What is the depreciation of this typewriter for the year ended 31 July 2020.
A. RM200 B. RM50 C. RM190 D. RM400
2019 Aug 1 -> Jul 2020
200 x 1 + 200 x $\frac{3}{12}$
10. Following were errors reveal by Trial Balance, except....
A. Compensating Error
B. Error in Amount
C. Error in Calculation
D. Error of posting to the wrong side of an account
11. Usually the balance of Cash Book does not agree with that shown on Bank Statement. The discrepancy may be due to which of the following reasons?
I Late lodgements
II Undebited Cheque
III Direct Debits
IV Rent Received in advanced
A. I, II & III B. II, III & IV C. I, II & IV D. I, III & IV
12. What is the double entry accounting record of loss sharing at the end of the financial year of a partnership business?
A. Debit: Capital Credit: Profit and Loss
B. Debit: Capital Credit: Profit and Loss Appropriation
C. Debit: Current Credit: Profit and Loss
D. Debit: Current Credit: Profit and Loss Appropriation
13. Zhen Kai, Justin and Xuan Wu were partners for a number of years. Their profit and loss sharing ratio was 5:4:1. With effect from 1 January 2021, Zhen Kai and Justin were both active partners. They agreed to change their profit sharing ratio to 2:2:1. Goodwill was created and valued at RM100,000 and to be kept in the books.

What is the accounting entry of the goodwill?

- B. Debit: Goodwill RM100,000
 Credit: Capital – Zhen Kai RM50,000
 - Justin RM40,000
 - Xuan Wu RM10,000
- C. Debit: Capital – Zhen Kai RM40,000
 - Justin RM40,000
 - Xuan Wu RM20,000
 Credit: Goodwill RM100,000
- D. Debit: Capital – Zhen Kai RM50,000
 - Justin RM40,000
 - Xuan Wu RM10,000
 Credit: Goodwill RM100,000

14. Qiu Yi, You Yue and Yen Yi had been in partnership for a number of years sharing profit and losses in the proportion 3:2:1. Their last Statement of Financial Position prepared before dissolution on 31 December 2020 was as follows:

<u>Assets</u>	<u>RM</u>	<u>Equity and Liabilities</u>	<u>RM</u>
Non-Current Assets	100,000	Capital: Qiu Yi	60,000
Current Assets	50,000	You Yue	40,000
		Yen Yi	20,000
		Total Liabilities	30,000

The partners decided to dissolve the partnership and close the books. During the dissolution, Yen Yi was unable to meet her liability of RM10,000 to the partnership, thus the Garner vs Murray rule was applied.

What is the double entry accounting record of the deficiency borne by Qiu Yi and You Yue?

- | | <u>Debit</u> | <u>Credit</u> |
|-------------------------------------|----------------------------------------------------|----------------------------------------------------|
| A. | Current Account: Qiu Yi RM5,000
You Yue RM5,000 | Current Account: Yen Yi RM10,000 |
| <input checked="" type="radio"/> B. | Capital Account: Qiu Yi RM6,000
You Yue RM4,000 | Capital Account: Yen Yi RM10,000 |
| C. | Current Account: Yen Yi RM 10,000 | Current Account: Qiu Yi RM5,000
You Yue RM5,000 |
| D. | Capital Account: Yen Yi RM10,000 | Capital Account: Qiu Yi RM6,000
You Yue RM4,000 |

15. Incomplete records may cause the following weakness, except....
- A. A Trial Balance cannot be extracted to check the accuracy and completeness of the accounts.
 - B. Cash Book balance does not agree with that shown on Bank Statement.
 - ☒ C. Errors and frauds will be easily to detect.
 - D. Profit or loss cannot be ascertained under normal procedure as the income and expenses are not easily obtained.
16. Which of the following is Revenue Expenditure for a non-profit-making organisation?
- A. Cost of extending club house
 - B. Installation cost of tennis court
 - C. Purchase of sport equipment
 - ☒ D. Repairs cost of building

17. Following were the advantages of a bill of exchange, except....
- A. It is a negotiable instrument and can be transferred for settlement of a debt. ✓
 - B. It can be discounted before the due date of the bill. ✓
 - C. A creditor enjoys the benefit of full period of credit. ✓
 - D. A creditor can be sue on the bill itself.
18. When calculating the unsold inventory of a consignment business, which of the following expenses are not included?
- I Carriage Outwards ✓
 - II Carriage Inwards
 - III Selling and distribution cost ✓
 - IV Del-credere Commission ✓
- A. I, II & III B. II, III & IV C. I, II & IV D. I, III & IV
19. Yi Qian and Shu Yin entered into a joint venture business. When the business is ceased and the unsold inventory was taken over by Shu Yin for her personal use. What is the double entry accounting record should be taken?
- | | <u>Account to be debited</u> | <u>Account to be credited</u> |
|----|------------------------------|-------------------------------|
| A. | Purchases ✓ | Joint Venture with Shu Yin |
| B. | Drawings | Joint Venture with Shu Yin |
| C. | Purchases ✗ | Joint Venture with Yi Qian |
| D. | Drawings | Joint Venture with Yi Qian |
20. Shi Yu was interested in purchasing a new set of computer for office use on 1 January 2020. She agreed to make a hire purchase loan with Maybank Berhad.

The following information was provided:

Cash Price: RM5,000

4,500

Down payment: 10% of cash price

Instalment: 3 equal instalments of RM2,000 paid at the end of each financial year.

Note: Shi Yu closed her books annually on 31 December.

What is the hire purchase price of the new computer?

- A. RM6,500 B. RM5,000 C. RM1,500 D. RM6,000