**Final Year Exam 2018 Question 4**

**(a)**

1. Error of omission
2. Error of posting to the wrong side of an account
3. Compensating error
4. Error of principle
5. Error of original entry
6. Error of commission

In the books of **George**

**(b) General Journal**

|  |  |  |  |
| --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** |
| 2018 |  | **RM** | **RM** |
| Jun 30 | Bank | 1,950 |  |
|  | Profit and Loss - Discounting Charges | 50 |  |
|  | Bills Receivable |  | 2,000 |
|  |  |  |  |
| 30 | Profit and Loss - Discounts Allowed | 300 |  |
|  | Profit and Loss - Discounts Received | 300 |  |
|  | Suspense |  | 600 |
|  |  |  |  |
| 30 | Trading - Sales | 300 |  |
|  | Trading - Purchases |  | 300 |
|  |  |  |  |
| 30 | Drawings | 10,000 |  |
|  | Premises |  | 10,000 |
|  |  |  |  |
| 30 | William | 600 |  |
|  | Suspense |  | 600 |
|  |  |  |  |
| 30 | Molly | 180 |  |
|  | Nelly |  | 180 |
|  |  |  |  |
|  |  |  |  |

George

**(c) Statement of Corrected Net Profit**

For The Year Ended 30 June 2018

|  |  |  |
| --- | --- | --- |
|  | **RM** | **RM** |
| **Net Profit before Adjustment** |  | 34,300 |
| *Add:* Purchases overstated |  | 300 |
|  |  | 34,600 |
| *Less:* Sales overstated | 300 |  |
| Discounting Charges understated | 50 |  |
| Discounts Allowed understated | 300 |  |
| Discounts Received overstated | 300 | (950) |
| **Adjusted Net Profit** |  | **33,650** |
|  |  |  |

George

**(d) Redrafted Statement of Financial Position**

As At 30 June 2018

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **RM** | **RM** |  | **RM** | **RM** |
| Premises |  | 100,000 | Capital - George |  | 100,000 |
| Office Equipment | 24,000 |  | *Add:* Net Profit |  | 33,650 |
| Less: Accumulated Depreciation | (14,000) | 10,000 |  |  | 133.650 |
| Inventory | 8,830 |  | *Less:* Drawings |  | (10,000) |
| Accounts Receivable | 15,720 |  |  |  | 123,650 |
| Bank | 700 | 25,250 | Accounts Payable |  | 11,600 |
|  |  | 135,250 |  |  | 135,250 |
|  |  |  |  |  |  |