



**KOLEJ YAYASAN PELAJARAN JOHOR
FINAL EXAMINATION**

COURSE NAME : PRINCIPLES OF ACCOUNTING
COURSE CODE : DHR1043
EXAMINATION : DECEMBER 2022
DURATION : 3 HOURS

INSTRUCTION TO CANDIDATES

1. This question paper consists of **THREE (3)** parts :
 - PART A (20 Marks)
 - PART B (40 Marks)
 - PART C (40 Marks)

2. Candidates are not allowed to bring any material to examination room except with the permission from the invigilator.

3. Please check to make sure that this examination pack consist of:
 - i. The Question Paper
 - ii. An Objective Answer Paper
 - iii. An Answering Booklet

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*This examination paper consists of **10** printed pages including front page*

PART A

This part consist of **TWENTY (20)** questions.

Answer ALL in Objective Answer Paper.

1. Which of the following does NOT define accounting?
 - A Recording.
 - B Classifying.
 - C Summarising.
 - D Decision making.

2. Which of the following is internal users of accounting information?
 - A Government.
 - B Former creditors.
 - C Potential investor.
 - D Management of the company.

3. Who is the external users of accounting information?
 - A Manager
 - B Tax authority
 - C Company's staff
 - D Company's shareholders

4. One of the following statements about general partnership is INCORRECT. The statement is:
 - A Partners have limited liabilities.
 - B Source of funds is internally funded by partners.
 - C Professional partnership is limited to 20 members.
 - D Partneship is governed by the Registration of Business Act 1956.

5. Accrual concept is _____
 - A Revenue is recognised when it is earned and expenses are recognised when they are incurred.
 - B The same methods for the same items are consistently used over a period of time or in a single period across entities.

- C The entity is assumed to continue in operation for the foreseeable future or for an indefinite period of time.
- D Assets are recorded at their original cost, that is, the acquisition cost of the assets.
6. "Every transaction has a dual effect". This statement represents _____
- A Duality concept.
- B Matching concept.
- C Money measurement concept.
- D Faithful representation concept.
7. What is materiality concept?
- A A business is treated as separate and distinct from its owners.
- B The information represents the substance of what it purports to represent.
- C The entity is assumed to continue in operation for the foreseeable future or for an indefinite period of time.
- D Omitted, misstated or obscured information could reasonably be expected to influence decisions made by the users of that information.
8. Which of the following is TRUE about money measurement concept?
- A All transactions are recorded in monetary terms such as Ringgit Malaysia.
- B All relevant information for a given accounting period should be disclosed.
- C Revenue and its related expenses are recognised in the same reporting period.
- D The information can be used to predict the eventual outcomes of past or current events.
9. For accounting purposes, a business enterprise has always been assumed to continue to exists in the foreseeable future. This assumption or concept is referred to as the:
- A Materiality concept.
- B Historical cost concept.
- C Economic entity concept.
- D Going concern concept.

10. Which of the following can be classified as non current assets?
- A Land
 - B Loan
 - C Inventories
 - D Account Receivables
11. Long term loan can be classified as _____.
- A Current liability
 - B Current assets
 - C Non current assets
 - D Non current liability
12. Which of the following statements is CORRECT?
- A $\text{Assets} + \text{Capital} = \text{Liabilities}$
 - B $\text{Assets} + \text{Liabilities} = \text{Capital}$
 - C $\text{Liabilities} - \text{Capital} = \text{Liabilities}$
 - D $\text{Liabilities} + \text{Capital} = \text{Assets}$
13. Payment for advertising expenses will _____.
- A increase in expenses
 - B increase in liabilities
 - C decrease in expenses
 - D decrease in liabilities
14. Which of the following is the double entry for purchase of goods on credit?
- A Debit purchases, credit account payable.
 - B Debit purchases, credit account receivable.
 - C Debit account payable, credit purchases.
 - D Debit account receivable, credit purchases.

15. Which of the following is the objective of the trial balance?
- A Its help to detect losses.
 - B Its help to make huge profit.
 - C Its help to detect errors within a given time period.
 - D Its help management to make decision making and improve the performance.
16. What type of account is Interest expenses prepaid?
- A Expense
 - B Liability
 - C Current assets
 - D Current liabilities
17. Accrued expense is a_____.
- A Temporary accounts in which expenses and income are recorded.
 - B Expense paid for that will benefit more than one accounting period.
 - C Payment received for services to be provided in a future accounting period.
 - D Expense incurred during the accounting period but for which payment has not yet been made.
18. A bank reconciliation statement is a statement_____.
- A Sent by the bank when an error has been made.
 - B Sent by the bank when the account is overdrawn.
 - C Drawn up by the bank to verify the business bank account.
 - D Drawn up by the business to verify the business bank account balance with the bank statement balance.
19. The current ratio shows:
- A the profitability of the business.
 - B the amount of net profit for every RM1 of sales.
 - C the ability of a firm to make better use o fits capital employed.
 - D the ability of a business to repay its current liabilities when they become due.

20. Which of the following financial ratios analyse the ability of a business to repay its debts?

- A Current ratio.
- B Gross profit margin.
- C Return on investment.
- D Inventory turnover ratio.

[20 MARKS]

PART B

This part consist of **TWO (2)** questions.

Answer ALL questions in Answering Booklet.

QUESTION 1

Puan Syhadah owns Calhad Fashion, a boutique in Pasir Gudang, Johor. She is the only owner of the company, and she contributes capital using her own money. She started her business with RM50,000 cash. She also applied for an RM50,000 bank loan to help her business.

Currently, Puan Syhadah is currently paying RM1,500 per month to rent a shoplots with monthly rental of RM1,500. In order to prepare accounts for her company, she also employs Aina, as account clerk. The two biggest costs for her company are water and electricity, along with employee salaries. She also purchased a van for simple stock transportation to her store as well a machine for tailoring. Additionally, she purchased a few air conditioners for the boutique.

Aina, her account clerk, will ensure a true and fair view of records when preparing the accounts, even if it does not favour Puan Syhadah. Aina prepares financial statements at the end of the year, which show all the non current assets are recorded at their original cost.

REQUIRED:

- a. Based on the above scenario, identify the type of Puan Syhadah's business.
(1 marks)
- b. Give **five (5)** characteristics of the type business that you have identified in (a).
(5 marks)
- c. Based on the above scenario, identify any **two (2)** relevant accounting concepts and briefly explain the concepts that you have identified.
(8 marks)
- d. Give **three (3)** examples each for non current assets and expenses of Calhad Fashion.
(6 marks)

QUESTION 2

Bank Statement for the month of March 2021

Date March 2021	Particulars	Debit	Credit	Balance
		RM	RM	RM
1	Balance b/d			200
3	Cash deposit		6,000	6,200
4	Electronic fund transfer		1,500	7,700
6	Cheque book	5		7,695
8	Clearing cheque-89090	450		7,245
10	Clearing cheque-89091	600		6,645
12	Clearing cheque-89092	343		6,302
15	Bank GIRO credit		542	6,844
20	Direct debit	465		6,379
25	interest		245	6,624
28	Bank charges	10		6,614

Bank account					
Date	Particulars	RM	Date	Particulars	RM
March 1	Balance b/d	200	March 7	Cheque book	5
3	Cash Deposit	6,000	7	Setay Motor-89090	450
4	Electronic fund transfer	1,500	8	Caala Bhd-89091	600
30	Cici	100	10	Sahara-89092	343
			28	Nara-89094	300
			31	Balance c/d	6,102
		7,800			7,800
1 April	Balance b/d	6,102			

REQUIRED:

- a. Update the cash book (bank column) for the month of March 2021.

(10 marks)

- b. Prepare a bank reconciliation statement as at 31 March 2021.

(10 marks)

[40 MARKS]

PART C

Answer ALL questions in Answering Booklet.

The following balances were extracted from the books of Maryam Hannah Enterprise on 31 December 2021.

Maryam Hannah Enterprise
Trial Balance as at 31 December 2021

Particulars	Debit (RM)	Credit (RM)
Land	500,000	
Van	120,000	
Office furniture	15,000	
Accumulated depreciation as at 1 January 2021:		
Building		40,000
Office Furniture		5,500
7% loan from Aem Bank		250,000
Purchases	93,650	
Sales		220,000
Delivery expenses	1,450	
Account receivable	25,200	
Account payable		45,000
Carriage inwards	1,030	
Inventory as at 1 January 2021	12,000	
General and administrative expenses	5,240	
Discount received		6,350
Discount allowed	3,200	
Salesman commission	3,400	
Return inwards	1,400	
Return outwards		1,130
Advertising	5,450	
Insurance	2,400	
Salaries	29,150	
Bank	35,460	
Capital		310,000

Drawings	1,500	
Rental Income		27,550
2% fixed deposit in Bank Mesti Bhd	50,000	
	905,530	905,530

Additional information:

1. Accrued monthly salary was RM550.
2. Insurance of RM500 was paid in advance.
3. Depreciation charges for the assets were as follows:
Van RM7,500
Office furniture RM1,500
4. Interest on loan had been paid by cheque but had been recorded elsewhere in the books. The loan was taken on 1 January 2021.
5. Inventory as at 31 December 2021 was valued at RM10,900

REQUIRED:

- a. Prepare the Statement of Profit or Loss for the year ended 31 December 2021.
(20 marks)
 - b. Prepare the Statement of Financial Position as at 31 December 2021.
(20 marks)
- [40 MARKS]**

END OF QUESTION PAPER