



KOLEJ YAYASAN PELAJARAN JOHOR
FINAL EXAMINATION

COURSE NAME : FINANCIAL ACCOUNTING AND
REPORTING 4
COURSE CODE : DAC2113
EXAMINATION : JUNE 2023
DURATION : 3 HOURS

INSTRUCTION TO CANDIDATES

1. This question paper consists of **ONE (1)** part : PART A (100 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 Answering Booklet

DO NOT TURN THIS PAGE UNTIL YOU ARE TOLD TO DO SO

This examination paper consists of 9 printed pages including front page



PART A

This part consist of **FOUR (4)** questions.

Answer **ALL** questions

QUESTION 1

Given below is the Statement of Financial Position of Reduction Bhd as at 31 December 2022.

	RM
Land and building	100, 000
Motor vehicles	50, 000
Plants	50, 000
Inventories	50, 000
Trade receivable	40, 000
	290, 000
300,000 Ordinary Shares of RM 1 each	300, 000
Accumulated loss	(180, 000)
	120, 000
Trade payables	80, 000
Bank overdraft	90, 000
	290, 000

The following values are applicable to the assets of the company

	As going concern (RM)	If liquidate (RM)
Land and building	100, 000	100, 000
Motor vehicle	40, 000	20, 000
Plant	30, 000	30, 000
inventories	50, 000	5, 000
Trade receivable	40, 000	30, 000

Additional Information:

1. Ordinary Shares were reduced to 30 sen each. Fully paid up, and the existing ordinary shareholders have agreed to take up two fully paid Ordinary Shares for every one held.
2. Part of the cash raised by the issued is to used to settle the bank overdraft.
3. A special resolution was passed, and the approval of the court was obtained for the scheme of capital reduction.

Required:

1. Calculate the loss. [5 marks]
2. Prepare the journal entries to give effect to the scheme. [6 marks]
3. Prepare the Statement of Financial Position of Reduction Bhd immediately after the reorganisation. [9 marks]

QUESTION 2

The sole proprietary of Syarikat Omega converted his business into a limited liability company on 31 December 2022. A new company named Kobik Sdn Bhd was formed to take over all the assets and liabilities of Syarikat Omega. Kubik Sdn Bhd was incorporated with authorised capital of RM 250,000 in Ordinary Shares of RM 1 each. Mr Oms and his friend Mr Lai each purchased 1,000 Ordinary Shares at par, for cash in Kubik Sdn Bhd on formation of the company.

The Statement of Financial Position of Syarikat Omega as at 31 December 2022 was as follows:

	RM
Freehold properties	55, 000
Furniture and fixtures	22, 500
Inventories	17, 500
Trade receivable	14, 000
Bank	8, 500
	117, 500

Capital – Mr Oms	96, 500
Trade payable	21, 000
	117, 500

Additional information:

1. The fair value of the assets was:

	RM
Freehold properties	75, 000
Furniture and fixtures	17, 500
Inventories	15, 000
Trade Receivable	13, 000

2. The purchase price to be settled by the issues of 100, 000 ordinary shares of RM 1 each, at premium of 20%, in Kobik Sdn Bhd.

Required:

1. Calculate the goodwill on business acquisition.
[5 marks]
2. Prepare close the book of Syarikat Omega by means of ledger entries (Account Realization and Capital Account).
[7marks]
3. Prepare open books of Kobik Sdn Bhd (Journal only).
[8 marks]
4. Prepare the Statement of Financial Position of Kobik Sdn Bhd immediately after the acquisition of Syarikat Omega.
[5 marks]

QUESTION 3

Given below are the statement of Financial Position of Aiye Bhd and Biee Bhd as at 31 December 2022.

Statement of financial position of Aiye Bhd and Biee Bhd as at 31 December 2022.

	Aiye Bhd RM	Biee Bhd RM
Land and building	250,000	150,000
Plant and machinery	100, 000	80, 000
Goodwill	50 000	20 000
Current Asset		
Inventories	50, 000	50, 000
Trade Receivable	80, 000	40, 000
Bank	40,000	50, 000
	570, 000	390, 000

Ordinary Share of RM 1 each	400, 000	200,000
Share Premium	50, 000	10, 000
Retained earning	100, 000	50, 000
10% Debentures	Nil	100, 000
Trade payables	20, 000	30, 000
	570, 000	390, 000

Additional information:

1. Aiye Bhd would acquire all the assets (except cash at bank) and liabilities of Biee Bhd as at 31 December 2022.
2. The consideration transferred would consist of the following:
 - a. 300, 000 Ordinary Shares in Aiye Bhd valued at RM 1.25 per share
 - b. RM 120, 000, 8% debentures in Aiye Bhd to discharged the 10% debentures of Yee Bhd at a premium of 20 percent.

3. The fair value of assets of Biee Bhd are:

Item	RM
Land and building	350,000
Plant and machinery	50,000
Inventories	50,000
Trade receivable	40,000

Required:

1. Calculate the amount of Consideration transferred and Goodwill. [5 marks]
2. Prepare close book of the seller (Journal for Biee Bhd, ledger Account Realisation, Capital Account and Debenture Account). [15 marks]
3. Prepare ledger for Business Purchase Account for Aiye Bhd. [5 marks]
4. Prepare Statement of Financial Position of Aiye Bhd immediately after the absorption of Biee Bhd. [5 marks]

QUESTION 4

Below is the Statement of Comprehensive Income of Hod and its subsidiaries Daus for the year ended 30 June 2022.

	Hod Bhd (RM)	Daus Bhd (RM)
Revenue	159,800	108,400
Cost of sales	(79,200)	(61,600)
Gross profit	80,600	46,800
Administrative expenses	(27,000)	(16,000)
Investment income:		
Ordinary dividend Hod Bhd	9,000	-
Loan interest	1,000	1,500
Finance cost	(6,000)	(4,000)
Profit before tax	57,600	28,300
Income tax expenses	(29,400)	(14,800)
Profit for the period	28,200	13,500
Opening equity	133,400	53,600
Profit for the period	28,200	13,500
Ordinary dividends	(15,000)	(10,000)
Closing equity	146,600	57,100

Additional information :

1. Hod Bhd acquired its interest in Daus Bhd as follow:

9,000 of the 10,000 at RM 1 ordinary shares on 30 June 2022 when the equity of Daus Bhd was RM 35,000. (RM 10,000 ordinary share plus retained earnings RM 25,000).

2. Hod Bhd has not provided Daus Bhd with any of its loan capital.
3. The revenue of Hod Bhd includes RM 19, 000 in respect of goods sold to Daus at a price that yielded a profit of 20% on selling price. RM 8,000 of these goods were in the inventory of Daus at 30 June 2022. inventories of such goods at 30 June 2021 amounted to RM 6,000.

Required:

Prepare the Consolidated Comprehensive income for Hod group for the year ended 30 June 2022 and Statement of Change Equity.

[25marks]

[TOTAL : 100 MARKS]

END OF QUESTION

*

0

(

(

