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Universiti Tun Hussein Onn Malaysia

**UNIVERSITI TUN HUSSEIN ONN MALAYSIA**

**FINAL EXAMINATION  
SEMESTER I  
SESSION 2017/2018**

**COURSE NAME** : REAL ESTATE ACCOUNTING /  
PRINCIPLES OF ACCOUNTING

**COURSE CODE** : BPE 15202 / BPA 10302

**PROGRAMME CODE** : BPD

**EXAMINATION DATE** : DECEMBER 2017 / JANUARY 2018

**DURATION** : 2 HOURS

**INSTRUCTION** : ANSWER ALL QUESTIONS

**TERBUKA**

THIS QUESTION PAPER CONSISTS OF **THREE (3)** PAGES

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**Q1** The cash for Gally Consultants as at July 31, 2017 indicated a balance of RM17,750. The bank statement however, showed a balance of RM33,650 on the same date. Comparing the bank statement and the accompanying cancelled checks and memos with the record reveals the following reconciliation items:

- (a) Checks outstanding totaled RM17,865.
- (b) A deposit of RM9,150, representing receipts of July 31, had been made too late to appear on the bank statement.
- (c) The bank collected RM6,095 on a note left for collection. The face of the note was RM5,750.
- (d) A check for RM390 returned with the statement had been incorrectly recorded as RM930. The check was for the payment of an obligation to Holland Co. for the purchase of office supplies on account.
- (e) A check drawn for RM1,810 had been incorrectly charged by the bank as RM1,180.
- (f) Bank service charges for July amounted to RM80.

Based on given information,

- (i) Prepare the bank reconciliation for Gally Consultants (18 marks)
- (ii) Show the necessary journal entries. (7 marks)

**Q2** Waldum Company purchased packaging equipment on January 2014, for RM135,000. The equipment is expected to have a useful life of three (3) years, or 18,000 operating hours, and a residual value of RM13,500. The equipment was used for 8,600 hours in 2014, 5,300 hours in 2015 and 4,100 hours in 2016.

Determine the amount of depreciation expenses for the years ended 2014, 2015 and 2016 using:

- (a) Straight-line method. (5 marks)
- (b) The double-declining balance method. (12 marks)
- (c) Units-of-output method. (8 marks)

**Q3** Table Q3 shows the unadjusted trial balance for Tren Dee Realty Company for July 2017.

**Table Q3 : Trial Balance as at 31 July 2017**

Tren Dee Realty Company Trial Balance July 31, 2017		
	Debit Balances	Credit Balances
Cash	10,200	
Accounts Receivable	34,750	
Prepaid Insurance	6,000	
Supplies	1,725	
Land	50,000	
Building	155,750	
Accumulated Depreciation - Building		62,850
Equipment	45,000	
Accumulated Depreciation - Equipment		17,650
Accounts Payable		3,750
Unearned Rent		3,600
Share Capital – Ordinary		60,000
Retained Earnings		93,550
Dividends	8,000	
Fees Earned		158,600
Salaries and Wages Expense	56,850	
Utilities Expense	14,100	
Advertising Expense	7,500	
Repairs Expense	6,100	
Miscellaneous Expense	4,025	
	<b>400,000</b>	<b>400,000</b>

The data needed to determine year-end adjustments are as follows:

- Depreciation of building for the year, RM6,400.
- Depreciation of equipment for the year, RM2,800.
- Accrued salaries and wages at July 31, RM900.
- Unexpired insurance at July 31, RM1,500.
- Fees earned but unbilled on July 31, RM10,200.
- Supplies on hand at July 31, RM615.
- Rent unearned at July 31, RM300.



- (a) Prepare the journal entries for the above adjustments. (28 marks)
- (b) Prepare an adjusted trial balance for Tren Dee Realty as at July 31, 2017. (22 marks)

- END OF QUESTIONS -