



UTHM

Universiti Tun Hussein Onn Malaysia

UNIVERSITI TUN HUSSEIN ONN MALAYSIA

**FINAL EXAMINATION
(ONLINE)
SEMESTER I
SESSION 2020/2021**

COURSE NAME : PRINCIPLE OF ACCOUNTING
COURSE CODE : BWB 20402
PROGRAMME CODE : BWB
EXAMINATION DATE : JANUARY / FEBRUARY 2021
DURATION : 3 HOURS
INSTRUCTION : ANSWER ALL QUESTIONS
OPEN BOOK EXAMINATION

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

- Q1** On 1st January 2020, Ammar started business with a capital RM40,000 and the transaction of the month were as follows. Classify the transaction in the related Journal.

		RM
Jan 2	Purchased building for cash	8000
Jan 8	Purchased good from Aishah	1000
Jan 12	Sold good for cash	500
Jan 15	Goods return to Aisyah	1000
Jan 20	Sold goods to Rahman	400
Jan 21	Rahman return goods	25
Jan 31	Salaries paid for the month	200
Jan 31	Rent paid for the month	150

(20 marks)

- Q2** On 31st March 2020, the Pass Book showed the credit balance of RM10,500. Cheque amounting RM2750 were deposited in the bank but only cheque of RM750 had not been cleared up to 31st March. Cheques amounting to RM 3500 were issued, but cheque for RM1,200 had not been presented for payment in the bank up to 31st March. Bank had given the debit of RM 35 for sundry charges and also bank had received directly from customers RM800 and divided of RM130 up to 31st March. Organize to find out the balance as per cash book.

(15 marks)

- Q3** A manufacturing firm purchased on January 2020, certain machinery for RM1,000,000 and spent RM2000 on its erection. On 1st July in the same year additional machinery costing RM 50,000 was required. On 1st January 2022, the machinery purchased on 1st January 2020 having become obsolete was auctioned for RM40,000 and on the same date new machinery was purchased at a cost of RM 25,000. Depreciation was provided for annually on 31st December at the rate of 10 percent per annum on the original cost of the asset. In 2021, however this method was changed and that of writing off 15 percent on the written down value was adopted. Calculate the Machinery Account as it would stand at the year of each from 2020 to 2024, making your calculation to the nearest Ringgit Malaysia (RM).

(20 marks)

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- Q4** Ash Company uses the periodic inventory method and had the following inventory information available:

Table Q4

Date	Transaction	Units	Unit Cost
1/8/2020	Beginning inventory	100	4.00
16/9/2020	Purchase	400	5.00
20/11/2020	Purchase	200	7.00
25/11/2020	Purchase	300	8.00

A physical count of inventory on December 31 revealed that there were 400 units on hand.

- (a) Assume that the company uses the FIFO, LIFO and AVCO method. Calculate the value of the ending inventory at December 31 for each methods
(15 marks)
- (b) Estimate the difference in the amount of income that the company would have reported if it had used the FIFO method instead of the LIFO method. Would income have been greater or less?
(20 marks)
- Q5** Ah Meng Ltd Com. records purchases at net amounts. On May 5 his company purchased merchandise on account, RM32,000, terms 2/10/2020. The company returned RM 2,000 of the November 5, purchase and received credit on account. On December, 31 the balance had not been paid.
- (a) Compute the value in the account payable could be adjusted on 31 December.
(5 marks)
- (b) Determine how much the value merchandise on Ah Meng Ltd Com. account.
(5 marks)

-END OF QUESTIONS-

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