

STRUCTURES / ESSAY (100 marks)

Instruction: Answer all questions.

QUESTION 1

AimanAdam Company has the following inventory, purchases and sales data for the month of March 2010.

Inventory :	March 1	200 units @RM4.00
Purchases :	March 10	500 units @RM4.50
	March 20	400 units @RM4.75
	March 30	300 units @RM5.00
Sales:	March 15	500 units
	March 25	400 units

The physical inventory count on March 31 shows 500 units on hand.

Instructions:

- (a) Under the perpetual inventory system, determine the cost of inventory on hand as at 31 March and the cost of goods sold for March under the
- first-in, first-out (FIFO) method
 - last-in, first-out (LIFO) method
- (22 Marks)
- (b) State **THREE (3)** advantages of the perpetual inventory system?
- (3 marks)

POLITEKNIK
Jabatan Pengajian Politeknik

EXAMINATION AND EVALUATION DIVISION
DEPARTMENT OF POLYTECHNIC EDUCATION
(MINISTRY OF HIGHER EDUCATION)

COMMERCE DEPARTMENT

FINAL EXAMINATION
DECEMBER 2011 SESSION

P2201: FINANCIAL ACCOUNTING 1

DATE : 23.04.2012 (MONDAY)
DURATION : 2 HOURS (11:15AM – 01:15PM)

This paper consists of **SIX (6)** pages including the front page.
Section A: Essay (4 questions – answer ALL)

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CHIEF INVIGILATOR

Additional information:

- | | | |
|-----|---|--------------|
| (a) | Stocks at 31 Mac 2006 | RM |
| | Raw materials | 344 |
| | Work-in -progress | 1,108 |
| | Finished goods | 540 |
| (b) | Accrued expenses at 31 Mac 2006 | |
| | Power | 8 |
| | Factory wages | 30 |
| | Sales expenses | 12 |
| (c) | Depreciation rate on cost | |
| | Factory building | 2% per year |
| | Plant and machinery | 10% per year |
| | Delivery van | 15% per year |
| (d) | Insurance is to be allocated 70% to the factory. | |
| (e) | Finished goods are transferred to sales department at cost plus 12.5% | |

Required: Prepare

- (a) Manufacturing Accounts for the year ended 31 Mac 2006
 (b) Trading and Profit and Loss accounts for the year ended 31 Mac 2006

(25 marks)

QUESTION 2

SamaSetia Bhd is a manufacturing company and the following balances are taken from its books of account for the year ended 31 Mac 2006.

	RM
Factory building	4,000
Plant and machinery at cost	7,000
Delivery van at cost	1,800
Provision for depreciation:	
Factory building	1,040
Plant and machinery	2,100
Delivery van	340
Provision for unrealized profit at 1 April 2005	32
Stocks at 1 April 2005	
Raw materials	330
Work in progress	920
Finished goods at transfer price	460
Purchases of raw materials	2,976
Sales	8,500
Direct wages	2,078
Factory power	192
Factory staff salaries	468
Administration staff salaries	394
Insurance	100
Sales expenses	634
Debtors	720
Creditors	484
Bank overdraft	2,352
Capital	7,224

QUESTION 4

Aiman, Adam & Amzar run a partnership business that share profit and loss at the ratio of 3:2:1. The partnership agreement made between them stated the following:

- RM 9600 per year is paid to Aiman as salary
- Interest of 10% per year is paid on capital contributed by partners
- Interest of 8% per year is charged on loan given to partners and credited in partner's current account

Partner's capital account, current account and loan account on 1 January 2008 as follow :

	Capital Account (RM)	Current Account (RM)	Loan Account (RM)
Aiman	160 000	4 524	-
Adam	100 000	3 440	15 000
Amzar	80 000	2 744	-

Profit and loss account on 31 December 2008 showed net profit of RM 127 600. Total salary received until 31 December 2008 is RM 6 000.

Drawings by partners on 31 December 2008 are as follow :

	Drawing (RM)
Aiman	24 440
Adam	24 490
Amzar	16 560

You are required to prepare

(a) Profit and loss appropriation account for the year ended 31 December 2008

(b) Current account of each partners

(25 marks)

QUESTION 3

Below is a list of assets and liabilities of Ibah Emad Enterprise. Ibah Emad does not keep a proper system of accounting using the double entry system.

	1 January 2007	31 December 2007
	RM	RM
Premises	52 000	52 000
Motor vehicles	30 000	30 000
Office Equipment	6 000	6 000
Stock	6 000	10 000
Debtors	4 000	18 000
Creditors	7 000	4 000
Cash	1 500	2 500
Bank Overdraft	5 000	3 000
Accrued expenses	300	500
Prepaid expenses	300	900

Additional information :

- A computer of value RM 4 500 was brought in by Ibah Emad from his house to be used in the business. There was no record of such an entry
- Motor vehicles to be depreciated at 10% per year
- A provision for doubtful debts of 5% on debtors is to be made at the end of the year
- During the trading year, goods amounting to RM 1 800 and cash RM 1 200 had been withdrawn by Ibah Emad for his own use.

You are required to prepare:

a) A statement of profit and Loss for the year ended 31 December 2007

(8 marks)

b) A statement of Affairs of Ibah Emad as at 31 December 2007

(17 marks)