



## UNIVERSITY COLLEGE TATI (UC TATI)

## FINAL EXAMINATION QUESTION BOOKLET

COURSE CODE	: DTG 1402
COURSE	: INTRODUCTION TO ACCOUNTING
SEMESTER/SESSION	: 2 - 2023/2024
DURATION	: 3 HOURS

Instructions:

1. This booklet contains 5 questions. Answer **ALL** questions.
2. All answers should be written in answer booklet.
3. Write legibly and draw sketches wherever required.
4. If in doubt, raise your hand and ask the invigilator.

**DO NOT OPEN THIS BOOKLET UNTIL YOU ARE TOLD TO DO SO**

**THIS BOOKLET CONTAINS 4 PRINTED PAGES INCLUDING COVER PAGE**

**QUESTION 1**

- a) Discuss **FIVE (5)** aims of accounting (10 marks)
- b) State **FIVE (5)** users of accounting information (5 marks)
- c) Define the following:
- i) Inventory
  - ii) Liability
  - iii) Capital
  - iv) Drawing
  - v) Return outward
- (10 marks)

**QUESTION 2**

- a) Describe *discount allowed* and *discount received*. (4 marks)
- b) Discuss **THREE (3)** factors to consider when extending credit to customers. (6 marks)

**QUESTION 3**

Ahmad Muhammad has the following credit purchases and credit sales for May:

- May 1 Sold to Masya: brass goods RM24, bronze items RM36. All less 25% trade discount  
Sold to Richards: tin goods RM70, lead items RM230. All less 33.5
- 9 Bought from Charles: tin goods RM400 less 40% trade discount
- 16 Bought from Ali: chopper goods RM320 less 50% trade discount
- 23 Sold to Razi Enterprise: tin goods RM50, brass items RM70, lead figure RM80. All less 20% trade discount
- 31 Bought from Nelson Ent.: Brass figure RM100 less 50% trade discount

Required: Compute total sales and purchases of Ahmad Muhammad on May 2023, post the items to the personal account and transfer the total to the Sales and Purchases Day Book.

(15 marks)

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**QUESTION 4**

- a) Explain **FOUR (4)** causes of depreciation. (8 marks)
- b) A machine costs RM8,000. It will be kept for five years, and then sold for estimated figure of RM2,400. Show the calculations of the figured for depreciation for each of the five years using reducing balance method with depreciation rate of 20 percent. (6 marks)
- c) Classify the following into revenue expenditure or capital expenditure:
- i) Purchase of an extra van
  - ii) Cost of rebuilding warehouse wall which had fallen down
  - iii) Building extension to the warehouse
  - iv) Panting extension to warehouse when it is first build
  - v) Carriage cost on bricks for new warehouse extension
  - vi) Carriage cost on purchases
  - vii) Legal cost of collecting debts
  - viii) Interest on loan to purchase laptop
  - ix) Cost of cartridge used by the printer
  - x) Cost of software to be installed in laptop
- (10 marks)

**QUESTION 5**

The following is a trial balance of KIMTAN ENTERPRISE as at 31 December 2022:

	RM	RM
Inventory on 1 January 2022	7,800	
Purchases and sales	24,300	40,900
Electricity	4,400	
Installment of motor vehicle	1,600	
Petrol	340	
Machine at cost	9,000	
Accounts receivable and accounts payable	2,100	1,240
Bank	3,900	
Provision for depreciation on machine		1,200
Capital at 1 January 2022		21,800
Drawings	11,700	
	<b>65,140</b>	<b>65,140</b>

At 31 December 2021 there was:

1. Inventory is at RM9,100
2. Accrued electricity bill is RM400
3. Prepaid of motor vehicle of RM300
4. The machine is to be depreciated at 20% of cost

You are required to prepare an income statement and statement of financial position by considering the above adjustment.

(26 marks)

-----End of question-----