



FINAL EXAMINATION

COURSE : FINANCIAL ACCOUNTING II

COURSE CODE : PFA1183

DURATION : 3 HOURS

INSTRUCTION TO CANDIDATES:

1. This question paper consists of **THREE (3)** questions.
2. Answer ALL question in the Answer Booklet provided.
3. Please check to make sure that this examination pack consists of
 - i. The Question Paper
 - ii. An Answer Booklet
4. Do not bring any materials into the examination hall unless permission is given by the invigilator.
5. Please write your answer using a ball-point pen.

NO. MYKAD : _____

NO. ID. : _____

LECTURER : _____

SECTION : _____

DO NOT OPEN THIS QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO

The question paper consists of 07 printed pages

MAR2024/D/PFA1183

ESSAY QUESTIONS

1. (26 points)

The Green Resources Club has prepared the following receipts and payments account for the year ended 30 June 2023:

<u>Receipts:</u>	<u>RM</u>	<u>Payments</u>	<u>RM</u>
Balance b/d	13,500	Purchases - kiosk	950
Donations	15,000	Travelling expenses of members	2,000
Entrance fees	800	Tournament expenses	1,100
Subscription fees	8,600	Salary - kiosk	1,600
Commission received	400	Utilities expenses	3,000
Sales - kiosk	11,250	Rent	6,000
Tournament fees	3,000	Wages	7,500
		General expenses	500
		Bal c/d	29,900

Additional information:

- The club has 100 members and its annual subscription fee is RM150 per member. On 30 June 2023 there were 3 members who had not paid their subscription and there were 5 members already paid in advance.
- Accruals as at 30 June 2023 are:

	<u>RM</u>
General expenses	300
Utilities expense	80
- The club paid rent in advance on 30 June 2023 amounting RM500.
- Donations received will be recorded in the income and expenditure account.
- It's the club policy to recognize the entrance fees over a four-year period.
- The assets and liabilities balance as at 30 June as follows:

	<u>2022(RM)</u>	<u>2023(RM)</u>
Inventories - kiosk	250	700
Trade payables - kiosk	200	410
Subscription in arrears	450	?

Required:

- i. Prepare kiosk trading account for the year ended 30 June 2023. (4.5 points)
- ii. Prepare The Green Resources club income and expenditure account for the year ended 30 June 2023 (14.5 points)
- iii. Prepare The Green Resources club statement of financial position as at 30 June 2023. (7 points)
(Show all workings. Round up figure to the nearest ringgit)

2. (29 points)

A. (5 points)

- i. Explain briefly on Prime Cost and Production Overhead. (2 points)
- ii. Give **TWO (2)** examples of prime cost and **FOUR (4)** examples of production overheads. (3 points)

B. (24 points)

Deluxe Sdn Bhd is a manufacturing company producing fixtures and fittings for homes and offices. The following are the list of balances as at 31 December 2023 extracted from the company's book.

	RM
Inventory as at 1 January 2023:	
Raw materials	25,600
Partly finished goods (prime cost)	2,900
Finished goods	31,000
Machineries	150,000
Furniture	48,000
Motor vehicles	196,000
Accumulated depreciation as at 1 January 2023:	
Machineries	40,000
Furniture	4,680
Motor vehicles	39,200
Cash and bank	379,000
Trade receivables	22,500
Trade payables	17,600
Capital	200,000
Utilities expenses	14,500
Commission to salesman	7,200
Rental expense	42,000
Insurance expense	9,900
Factory direct wages	20,000
Hire of special machine	4,780
Factory supervisors' salaries	14,000
Salaries	80,000
General expense	5,450
Selling and distribution expense	26,500
Sales revenue	550,000
Purchases of raw materials	106,000
Carriage inwards of raw materials	1,400
Allowance for unrealized profit as at 1 January 2023	1,700

Additional information:

- i. Finished goods were transferred to the Statement of Profit or Loss at production cost plus 8%.
- ii. Utilities expense has amount accrued at the end of the year of RM1,400.
- iii. Advanced salary of RM2,500 was given to one of the company's staff.
- iv. The apportionment of expenses are as follows:

	Factory	Office
Rental	60%	40%
Utilities expenses	2/3	1/3

- v. Furniture and motor vehicles are being used at the office.
- vi. Insurance is being charged at the factory while general expense is charged to the office.
- vii. Depreciation policy of the company is as follows:
 - Machineries have estimated useful life of 15 years.
 - Furniture are depreciated at 5% on net book value.
 - Motor vehicles are depreciated at 10% on cost.

- viii. Ending inventories are as follows:

	RM
Raw materials	23,300
Partly finished goods (Prime cost)	1,800
Finished goods	20,900

Required:

- a. Prepare the Manufacturing Account for the year ended 31 December 2023. (11 points)
- b. Prepare the Statement of Profit or Loss for the year ended 31 December 2023. (13 points)

(Show all workings. Round up figure to the nearest ringgit)

3. (25 points)

Abam Peah Group is operating at two different locations where the head office is situated in Pahang and the branch is at Perak. The branch maintains its own accounting records. The policy of the company is to send goods from head office to the branch with the cost plus 10%. The followings are the balances of both head office and branch extracted from trial balance as at 31 December 2023.

	Pahang (RM)	Perak (RM)
Goods Sent to Branch	45,000	-
Goods from Head Office	-	40,000
Sales	280,000	160,000
Purchases	100,000	75,700
Inventories as at 1 January 2023	12,500	11,000
Cash in Hand	5,500	5,000
Cash at Bank	40,000	16,000
Equipment	180,000	-
Accumulated depreciation-Equipment	18,000	-
Motor Vehicle	240,000	-
Accumulated depreciation-Motor Vehicle	24,000	-
Account receivables	40,000	18,000
Account payables	22,800	8,700
Loan: MBB	150,000	-
Capital	120,000	-
Administration expense	10,150	5,000
Selling and distribution expense	12,150	8,000
Interest expense	3,000	-
Allowance for unrealized profit as at 1 January 2023	1,000	-

Additional information:

- Loss of inventory at head office and branch were estimated at RM3,300 and RM2,200.
- Depreciation is to be provided as follows:

Motor vehicle	5% on cost, annually
Equipment	10% on reducing balance method, annually

- c. At 31 December 2023, a remittance of RM2,500 was still in transit from branch to the head office.
- d. Inventory as at 31 December 2023:
 - Pahang RM7,900
 - Perak RM7,100 (all goods sent from HQ)

Required:

- i. Prepare Combined Statement of Profit or Loss for the year ended 31 December 2023.
(15.5 points)
- ii. Prepare Combined Statement of Financial Position as at 31 December 2023.
(9.5 points)
(Show all workings. Round up figure to the nearest ringgit)

END OF QUESTION PAPER