



FINAL EXAMINATION

COURSE : COMPANY ACCOUNTS AND REPORTING

COURSE CODE : PFA3163

DURATION : 3 HOURS

INSTRUCTIONS TO CANDIDATES:

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

MYKAD NO : _____

ID. NO. : _____

LECTURER : _____

SECTION : _____

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

The question paper consists of 05 printed pages

OCT2024/A/PFA3163**1. (20 points)****A.**

Caya Bhd made a public offer of 30,000,000 ordinary shares at RM1.50 each on the following terms:

On application	50 sen
On allotment	70 sen
Final call	30 sen

38,000,000 ordinary share applications were received. The directors decided to reject and refund any surplus money on application. All monies due were duly received by cheque.

Required:

Journalize the above transactions. (13 points)
(Show all workings. Round up figure to the nearest ringgit)

B.

Cendakif Bhd issued a 5 percent debentures of nominal value RM40,000,000 at a discount of 4 percent on 1 January 2023. The transaction cost incurred amounted to RM90,000. The effective interest rate is 9 percent and the market price of the debentures at year end was RM39,000,000. Interests are to be paid on 31 December.

Required:

Journalize the above transactions. The 5% debentures are measured at fair value. (7 points)
(Show all workings. Round up figure to the nearest ringgit)

2. (32 points)

Pelangi Bhd. is a listed company whose main activity is retailing of consumer goods. It has an issued capital of 15,000,000 ordinary shares and 300,000 8% preference shares.

The following is the trial balance as at 31 December 2023 for Pelangi Bhd.

	Debit RM'000	Credit RM'000
Ordinary shares capital		15,000
8% Preference shares capital		300
Building (at cost)	20,000	
Machinery (at cost)	24,000	
Motor vehicles (at cost)	10,400	
Accumulated depreciation as at 1 January 2023:		
Building		2,500
Machinery		2,340
Vehicles		3,120
Investment available for sale	500	
Investment held for trading	450	
4% Debentures		1,000
5% Bank loan		7,000
Inventories	5,000	
Trade receivables	1,500	
Trade payables		1,700
Accrued expenses		230
Bank	7,000	
Sales		64,570
Cost of sales	34,300	
Administrative expenses	8,200	
Selling and distribution expenses	10,000	
Retained profit as at 1 January 2023		24,000
Interim ordinary dividend paid	400	
Interim preference dividend paid	10	
	121,760	121,760

Additional information:

- Interest expenses on debentures and bank loan are provided on 31 December 2023. All interests will be paid in January 2024.
- Auditor's fee for the year of RM200,000 has not been recorded in the account. It will be paid in March 2024.
- Tax expenses on the current year's profit is calculated to be RM2,000,000. No transaction has been recorded yet.

d. The non-current assets information are as follow:

- The building has 40 years' useful life. The company depreciates building using the straight-line method.
- The machinery is depreciated at 5% per annum respectively on reducing balance method.
- Motor vehicles are depreciated at 10% per annum using the straight line method.
- All depreciation to be charge in administrative expenses.

e. The investments' fair value on 31 December 2023 are as follow:

Available for sale RM600,000

Held for trading RM480,000

f. The directors declared final dividend on 31 December 2023 and pay the dividends on 31 January 2024, but no transactions were recorded yet (ignore tax effect):

Preference	Final dividend
Ordinary	5 sen per share

Required:

- i. Prepare the Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2023. (12.5 points)
- ii. Prepare the Statement of Changes in Equity for the year ended 31 December 2023. (7.5 points)
- iii. Prepare the Statement of Financial Position as at 31 December 2023. (9 points)
- iv. Prepare the notes to the accounts for Property, Plant and Equipment. (3 points)

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

3. (28 points)

Given below is the financial information regarding MOOD Sdn Bhd for the year ended 31 December:

	2023	2022
	<u>RM</u>	<u>RM</u>
Ordinary Shares Capital	500,000	420,000
Retained Earning	65,000	45,000
Loan from Maybank Berhad	150,000	200,000
Trade Payables	60,000	72,000
Utilities Payables	18,500	16,000
Tax Payables	15,000	23,000
	808,500	776,000
Land (cost)	338,000	380,000
Fixtures and Fittings (cost)	130,000	130,000
Accumulated Depreciation - Fixtures and Fittings	(26,500)	(20,000)
Motor Vehicles (cost)	160,000	160,000
Accumulated Depreciation - Motor Vehicle	(34,000)	(31,000)
Inventories	48,000	45,000
Trade Receivables	55,000	61,000
Prepaid Rent	12,000	8,000
Bank	126,000	43,000
	808,500	776,000

Additional Information:

- A piece of land costing RM42,000 was sold for cash for RM92,000.
- Tax charges for the year is RM9,000.
- Depreciation for the year is provided for both non-current assets.
- Profit before tax for MOOD Sdn Bhd amounted to RM32,000.
- The dividend paid for the year is RM3,000.

Required:

Prepare Statement of Cash Flow for the year ended 31 December 2023 using an indirect method.

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

END OF QUESTION PAPER