# KINGDOM OF BAHRAIN MINISTRY OF EDUCATION DIRECTORATE OF EXAMINATIONS / EXAMINATION SECTION

#### **RESET EXAM 2012/2013**

توحيد المسارات : TRACK : توحيد المسارات : COURSE NAME : PRINCIPLES OF ACCOUNTING

COURSE CODE: 111 \( \sigma \)

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#### **QUESTION ONE:** (13 Marks)

(A) Classify each of the following accounts as assets, liability, and owner's equity by putting  $(\sqrt{})$  in the appropriate column:

No.	Accounts	Assets	Liabilities	Owner's Equity
1.	Fees Income		6	1 0
2.	Notes Receivable			
3.	Office Equipment		2	
4.	Rent			
5.	Drawings			T T
6.	Land			
7. 8.	Cash Accounts Payable	1.com	9	

(B)State the Normal Balance for the following accounts whether it is **debit** or **credit**:

No	Accounts	Normal Balance
1	Accounts Receivable	
2	Wages	
3	Buildings	
4	Notes Payable	
5	Capital	

#### **QUESTION TWO:** (20 Marks)

## Show the effect of the following transactions on the Basic Accounting Equation using the table below:

- 1. Invested cash BD55,000 in the business.
- 2. Bought furniture BD6,500 on credit.
- 3. Paid BD500 for salaries expense.
- 4. Performed service on account BD1,500.
- 5. Paid accounts payable BD3,500.
- 6. Received BD700 from customer of transaction (4).
- 7. Withdrew BD300 cash for private use.

Date		Assets		=	Liabilities	+	Owner's Equity	Remarks
Date	Cash	Accounts Receivable	Furniture		Accounts Payable		Capital	Kemarks
1		Receivable			Tayable			
2	/					(		5
3				J	71.	7		
4	- //				, ()			
5								
6	13713	AM CO	mmbl	1 (	com		5	
7	V V V	• • • • • • • • • • • • • • • • • • • •						
Bal.								
						_		

#### **QUESTION THREE:** (23 Marks)

Complete the following journal entries of Hanan Company for the month of June, then post to **Cash Account** and **Accounts Receivable** in the Ledger:

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Explanation	Debit	Credit
	25,000	
Capital		
Invested cash in the business.		
Advertising Expense	1,300	
		1,300
Paid Advertising Expense.		
	4	
Sales		
Sold goods on account, BD2,600.		6
Purchases	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
Purchase goods on account, BD3,700.		
Cash	<i></i>	
	6	1,900
Sold goods by cash.		
Received BD1,100 from accounts receivable.		
	Capital Invested cash in the business.  Advertising Expense  Paid Advertising Expense.  Sales Sold goods on account, BD2,600.  Purchases  Purchase goods on account, BD3,700.  Cash  Sold goods by cash.	Capital Invested cash in the business.  Advertising Expense 1,300  Paid Advertising Expense.  Sales Sold goods on account, BD2,600.  Purchases

Name of Account: Cash				Account	No
Date	Explanation	PR	Debit	Credit	Balance

Name of Aco	count: Account Receivable			Accoun	t No
Date	Explanation	PR	Debit	Credit	Balance

**QUESTION FOUR:** (20 Marks)

Find the <u>balance</u> for the following T-accounts, then prepare the <u>Trial Balance</u> for Lateefa Co. on 31 January 2012:

Cash	Cash Account			Acco	unts Re	eceivable	
Jan. 1 180,00	0 Jan.4	2,500	Jan.	6 1	,100	Jan.10	900
10 90	0 13	35,500					
	15/	2,800					
		9		2		<i>\$</i>	
Equipm	ent Account			Sei	rvice Re	evenue	
Jan. 4 2,50	O Jul					Jan. 6	1,100
WWW	7.comr	nbh.	.com		9		

<b>Building Account</b>	<b>Accounts Payable</b>
Jan. 13 46,000	Jan. 13 10,500

Capital Account		Salaries Exp	ense Account
	Jan. 1 180,000	Jan. 15 2,800	_

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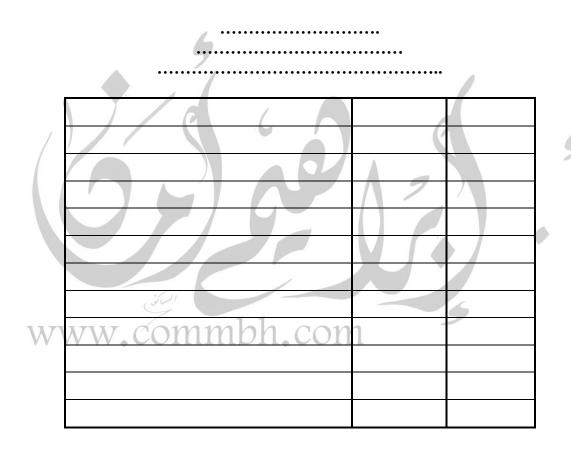
Account	Debit (BD)	Credit (BD)
	1	
	07	
المائن		4
www.commbh.co	m	

### **QUESTION FIVE:** (24 Marks)

(A)The following balances were extracted from the books of Fahad Est. for the period ended 31st December, 2012:

	BD		BD
Service Revenue	18,000	Wages Expense	1,500
Fees Earned	1,900	Telephone Expense	180
Interest Expense	350	Maintenance Expense	550
Advertising Expense	400	Utilities Expense	250

You are required to prepare the **Income Statement**.



(B)From the following balances for Fawaz Est., you are required to prepare **Balance Sheet** as at 31<sup>st</sup> December, 2012:

	BD		BD
Cash in bank	12,000	Equipment	7,000
Accounts Receivable	8,800	Accounts Payable	6,200
Supplies	2,200	<b>Ending Capital</b>	74,800
Buildings	55,000	Notes Payable	4,000

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