

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

RESET EXAM 2012/2013

COURSE NAME : PRINCIPLES OF ACCOUNTING

TRACK : توحيد المسارات

COURSE CODE : 111 ما

TIME : 2 Hours

QUESTION ONE: (13 Marks)

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

No.	Accounts	Assets	Liabilities	Owner's Equity
1.	Fees Income			
2.	Notes Receivable			
3.	Office Equipment			
4.	Rent			
5.	Drawings			
6.	Land			
7.	Cash			
8.	Accounts Payable			

(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 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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Date	Explanation	Debit	Credit
June 01	25,000	
	Capital	
	Invested cash in the business.		
09	Advertising Expense	1,300	
	.....		1,300
	Paid Advertising Expense.		
15	.....	.....
	Sales		.....
	Sold goods on account, BD2,600.		
21	Purchases	.....

	Purchase goods on account, BD3,700.		
24	Cash	.....
	.....		1,900
	Sold goods by cash.		
29	.....	.....

	Received BD1,100 from accounts receivable.		

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

Capital Account	Salaries Expense Account
Jan. 1 180,000	Jan. 15 2,800

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Account	Debit (BD)	Credit (BD)

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**.

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