

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

MODEL ANSWERS

RESIT EXAM 2015/2016

COURSE NAME : PRINCIPLES OF ACCOUNTING

TRACK : توحيد المسارات

COURSE CODE : 111 ما

TIME : 2 Hours

QUESTION ONE:

(A) Classify the following accounts using (A) for Assets, (L) for Liabilities and (O/E) for Owner's Equity: (5×2)

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No.	Accounts	Classification
1	Loan	L
2	Truck	A
3	Notes Receivable	A
4	Wages expense	O/E
5	Service revenue	O/E

(B) Show the effect of the following transactions on the Capital Account only by using (✓) in the appropriate column: (5×1)

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No.	Transactions	Increase	Decrease	No effect
1	Invested cash in the business.	✓		
2	Bought furniture on account.			✓
3	Provided service by cash.	✓		
4	Paid cash for rent expense.		✓	
5	Took cash for personal use.		✓	

(C) Complete the following equations:

(3×2)

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No.	Assets	=	Liabilities	+	Owner's Equity
1	14000	=	2000	+	<u>12000</u>
2	<u>24000</u>	=	3500	+	20500
3	62000	=	<u>5200</u>	+	56800

QUESTION TWO:

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Show the effect of the following transactions on the Basic Accounting Equation for Nadia Cleaning Services for the month of April 2016, using the table below:

- April 1 Nadia started her business by BD10000 cash.
- 7 Bought cleaning equipment BD8000 on credit from Hala Est.
- 13 Provided service on account for Hassan BD350.
- 20 Paid BD250 for salaries expense.
- 22 Received cash BD200 from Hassan.
- 26 Bought office furniture by cash, BD300.
- 28 Withdrew cash BD600 for private use.

Date	Assets				=	Liabilities	+	Owner's Equity	Remarks
	Cash	Accounts Receivable	Cleaning Equipment	Furniture		Accounts Payable		Capital	
April 1	+10000	/			=		+	+10000 /	Investment /
7			+ 8000 /		=	+ 8000 /	+		
13		+350 /			=		+	+350 /	Service revenue /
20	-250 /				=		+	-250 /	Salaries expense /
22	+200 /	-200 /			=		+		
26	-300 /			+300 /	=		+		
28	-600 /				=		+	-600 /	Drawings /
Bal.	9050	150	8000	300	=	8000	+	9500	
		17500 /			=			17500 /	

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QUESTION THREE:

The following is page no.1 of the General journal for Aisha Co. You are required to:

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(A) Complete the blanks in the General Journal.

(B) Post these entries to Cash Account & Accounts Receivable in the Ledger.

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General Journal

Page No. (1)

Date	Explanation	Debit (BD)	Credit (BD)
Jan. 01	Cash	/ 5000	
	<u>Capital</u> /		/ 5000
	Invested BD5000 cash in the business.		
04	<u>Insurance expense</u> /	/ 200	
	<u>Cash</u> /		/ 200
	Paid BD200 for insurance expense.		
14	<u>Accounts Receivable</u> /	1600	
	Sales		/ 1600
	Sold goods by on account.		
19	<u>Purchases</u> /	/ 250	
	<u>Accounts Payable</u> /		/ 250
	Bought goods on account, BD250.		
23	Cash	/ 600	
	<u>Accounts Receivable</u> /		/ 600
	Received from accounts receivable BD600.		
27	<u>Accounts Payable</u> /	/ 150	
	Cash		/ 150
	Paid BD150 to accounts payable.		

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كل شرط
بشرطه

Name of Account: Cash			Account No.			
Date	Explanation	PR	Debit	Credit	Balance	
Jan 01	← نعط الدرهم في حالة جابها		/ 5000		5000	
/ 04	في آل Balance			/ 200	4800	
23			/ 600		5400	
27				/ 150	/ 5250	

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كل شرط
بشرطه
در

Name of Account: Accounts Receivable			Account No.			
Date	Explanation	PR	Debit	Credit	Balance	
Jan 14			/ 1600		/ 1600	
23				/ 600	/ 1000	

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كل شرطه نصف درهمه

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QUESTION FOUR:

The following Trial Balance was prepared by unexperienced accountant for Noor Company, you are required to prepare the correct Trial Balance as at 31st December 2015:

Trial Balance
As at 10 December 2015

Account	Debit (BD)	Credit (BD)
Cash	9450	
Accounts Receivable		2500
Supplies		1900
Machinery	36800	
Computer equipment		14550
Furniture		1600
Noor – Capital		40800
Noor – Drawings		350
Accounts Payable	3700	
Fees earned	24000	
Supplies expense		700
Wages expense		650
Total	73950	63050

Noor Company**Trial Balance** //

As at 10 December 2015

Account	Debit (BD)	Credit (BD)
Cash	/ 9450	
Accounts Receivable	/ 2500	
Supplies	/ 1900	
Machinery	/ 36800	
Computer equipment	/ 14550	
Furniture	/ 1600	
Noor – Capital		/ 40800
Noor – Drawings	/ 350	
Accounts Payable		/ 3700
Fees earned		/ 24000
Supplies expense	/ 700	
Wages expense	/ 650	
Total	68500	68500

كل حربة در حبه

QUESTION FIVE:

The following balances were extracted from the books of Jameela Est. on 31st December 2015:

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	BD		BD
Capital	32900	Electricity expense	150
Drawings	300	Advertising expense	120
Service revenue	19100	Maintenance expense	80
Salaries expense	650	Supplies expense	100

Required:

1. Prepare the Income Statement.
2. Prepare the Statement of Owner's Equity.

Jameela Est. /
Income Statement /
For the period ended 31st December 2015 /

<u>Revenues:</u>		
Service revenue		/ 19100
<u>Expenses</u>		
Salaries expense	/ 650	
Electricity expense	/ 150	
Advertising expense	/ 120	
Maintenance expense	/ 80	
Supplies expense	/ 100	
Total Expenses		1100
Net Income /		// 18000

كل شرطه
بدرجه

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Jameela Est. /
Statement of Owner's Equity /
For the period ended 31st December 2015 /

Beginning Capital		/ 32900
+ Net Income		/ 18000
		50900
- Drawings		/ 300
Ending Capital /		/ 50600

كل شرطه
بدرجه

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END OF ANSWERS