

KINGDOM OF BAHRAIN
MINISTRY OF EDUCATION

MODEL ANSWERS

DIRECTORATE OF EXAMINATION / EXAMINATION SECTION
SECONDARY EDUCATION / UNIFIED TRACKS
SECOND SEMESTER EXAM 2017/2018

50
50

COURSE NAME: ACCOUNTING (1)

TRACK : UNIFIED TRACKS

COURSE CODE: 111 ما

TIME: 2 Hours

QUESTION ONE:

A- Show the effects of the following transactions on Account Receivable only. (Using ✓ in the appropriate column).

$5 \times 1/2 = 2.5$

7

NO	Transactions	Increase	Decrease	No Effect
1	Purchased equipment on account			✓
2	Provided services to customer on account	✓		
3	Sold goods to Mohammed on credit	✓		
4	Issued invoice for sold goods	✓		
5	Collected cash from debtor Mohammed		✓	

B- Classify each of the following accounts by using the major balance sheet classification to Current Assets (CA), Fixed Assets (FA), Liabilities (L), Owners Equity (OE) and Not Included (NI).

$8 \times 1/4 = 2$

Account	Classify	Account	Classify
Supplies	CA	Building	FA
Account Payable	L	Cash	CA
Machines	FA	Prepaid Insurance	CA
Capital	OE	Salaries Payable	L

C- Indicate whether a debit or credit will increase in the normal balance of the following accounts. (Using ✓ in the appropriate column)

$5 \times 1/2 = 2.5$

NO	Account Title	Increase In	
		Debit (Dr)	Credit (Cr)
1	Premises	✓	
2	Fees Earned		✓
3	Inventory	✓	
4	Notes Payable		✓
5	Rent Expenses	✓	

QUESTION TWO:

22X1/2

11

The following transactions occurred during Dec 2016 for Salman Est.

Dec 1: Salman began his business by investing cash BD30,000 and supplies BD10,000.

Dec 2: Paid office rent for BD700 cash.

Dec 5: Billed to customer Ebrahim for services provided for BD5,000.

Dec 7: Purchased supplies for BD800 from Eman Est, on account.

Dec 10: Received 60% cash from customer Ebrahim.

Dec 12: Office supplies BD600 has been used.

Dec 15: Withdrew cash for BD400 for personal use.

REQUIRED:

Show the effects of the previous transactions on the Basic Accounting Equation.

Date	Assets			=	Liabilities	+	Owner's Equity	Remarks
	Cash	Accounts Receivable	Supplies		Accounts Payable		Capital	
Dec 1	+30,000 /		+10,000 /	=			+40,000 /	Investment /
Dec 2	-700 /			=			-700 /	Rent Exp. /
Dec 5		+5,000 /		=			+5,000 /	Revenues /
Dec 7			+800 /	=	+800 /			
Dec 10	+3,000 /	-3,000 /		=				
Dec 12			-600 /	=			-600 /	Supplies Exp. /
Dec 15	-400 /			=			-400 /	Drawings /
Balance	31,900	2,000	10200	=	800	+	43,300	
Total	44,100 /				44,100 /			

QUESTION THREE:

14

The following transactions occurred during Aug 2017, for Talal Est.

Aug 1: Invested cash for BD36,000 in the business.

Aug 3: Cash sales for BD9,000.

Aug 6: Received invoice No# 615 from Samira for goods BD2,600.

Aug 8: Issued invoice No# 1217 to Yaser for goods BD7,200.

Aug 10: Sold goods to Abdulla for BD500, who used **American Express card** the services charge is 1%.

Aug 13: Issued cheque to paid full amount due to Samira.

Aug 16: Issued receipt No# 2650 to yaser for the amount due from him.

REQUIRED:

- 1- Prepare journal entries for the previous transactions.
- 2- Post to the ledger of Sales account.
- 3- Post to T-account of cash account and find the balance on Aug 31 2017.

$$15 \times 1/2 = 7.5$$

1-GENERAL JOURNAL

Page No. (1)

Date	Explanation	Debit (BD)	Credit (BD)
Aug 1	Cash /	36,000	
	Capital /		36,000
Aug 3	Cash /	9,000	
	Sales /		9,000
Aug 6	Purchases /	2,600	
	Account Payable (Samira) /		2,600
Aug 8	Account Receivable (Yaser) /	7,200	
	Sales /		7,200
Aug 10	Account Receivable /	495	
	Credit Card Expense (500 X 1%) /	5	
	Sales /		500
Aug 13	Account Payable (Samira) /	2,600	
	Cash /		2,600
Aug 16	Cash /	7,200	
	Account Receivable (Yaser) /		7,200

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2- Post to the ledger of Sales account.

$$6 \times 1/2 = 3$$

Name of Account: Sales					
Date	Explanation	PR	Debit	Credit	Balance
Aug 3				9,000 /	9,000 /
Aug 8				7,200 /	16,200 /
Aug 10				500 /	16,700 /

3- Post to T-account of cash account and find the balance on Aug 31 2017.

$$7 \times 1/2 = 3.5$$

DR	Cash Account	CR	
Aug 1	36,000 /	Aug 13	2,600 /
Aug 3	9,000 /		
Aug 16	7,200 /		
	52,200 /		2,600 /
Aug 31 Balance	49,600 /		

يراعي الخطأ
المرتب من
قيود اليومية

QUESTION FOUR:

The following incorrect trail balance for Hamad Est, on Dec 31 2016.

At Dec 31 2016

Hamad Est,
Trail Balance

$$14 \times 1/2$$

7

Account Title	Debit BD	Credit BD
Cash	18,400	
Supplies		6,200
Lands		78,000
Equipment	15,400	
Account Payable	9,100	
Capital	97,900	
Fees Income		21,000
Rent Expense		3,500
Wages Expense		6,500
Total	140,800	115,200

REQUIRED: Prepare a correct trail balance at Dec 31 2016.

Hamad Est, /
Trail Balance /
At Dec 31 2016 /

Account Title	Debit BD	Credit BD
Cash	18,400 /	
Supplies	6,200 /	
Lands	78,000 /	
Equipment	15,400 /	
Account Payable		9,100 /
Capital		97,900 /
Fees Income		21,000 /
Rent Expense	3,500 /	
Wages Expense	6,500 /	
Total	128,000 /	128,000 /

QUESTION FIVE:

The following balances was extracted from the book of Badria Est, for the year ended On Dec 31 2017.

11

Account Title	BD	Account Title	BD
Cash	14,300	Loans	12,400
Account Receivable	7,700	Capital	74,500
Ending Inventory	3,500	Drawings	1,000
Building	62,000	Commission Income	9,900
Motor Van	18,000	Salaries Expense	4,800
Furniture	9,000	Rent Expense	2,200
Account Payable	5,600	Repair Expense	3,000
Services Revenues	17,100	Notes Payable	6,000

REQUIRED:

- 1- Calculate the **Net Income or Net Loss** for the year ended on Dec 31 2017.
(Using the previous balances and **estate the steps of solution**)

$$\text{Total Revenues} = 17,100 / + 9,900 / = \text{BD}27,000 /$$

$$\text{Total Expenses} = 4,800 / + 2,200 / + 3,000 / = \text{BD}10,000 /$$

$$\text{Net Income} = 27,000 - 10,000 = \text{BD}17,000 /$$

$$8 \times 1/4 = 2$$

2- Prepare a Classified Balance Sheet as at Dec 31 2017.

Badria Est.
Balance Sheet
as at Dec 31 2017

18 X 1/2 = 9

<u>Current Assets:</u>		<u>Liabilities:</u>	
Cash	14,300 /	Account Payable	5,600 /
Account Receivable	7,700 /	Notes Payable	6,000 /
Ending Inventory	3,500 /	Loans	12,400 /
Total Current Assets	25,500 /	Total Liabilities	24,000 /
<u>Fixed Assets</u>		<u>Owner's Equity</u>	
Building	62,000 /	Capital	74,500 /
Motor Van	18,000 /	Net Income	17,000 /
Furniture	9,000 /	Drawings	(1,000) /
Total Fixed Assets	89,000 /	Total Owner's Equity	90,500 /
Total Assets	114,500 /	Total liabilities and Equity	114,500 /

END OF ANSWERS