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KINGDOM OF BAHRAIN MINISTRY OF EDUCATION <u>DIRECTORATE OF EXAMINATIONS / EXAMINATION SECTION</u>

FIRST SEMESTER EXAM 2016/2017

COURSE NAME: ACCOUNTING (2)

TRACK: توحيد المسارات

COURSE CODE: 212 🛶

TIME: 2 Hours

QUEXTION ONE:

(8 Marks)

The following information related to Ahmed Company (BD):

Sales	150000	Carriage in	2000
Purchases	80000	Insurance on purchases	1000
Opening Inventory	50000	Sales Discount	3000
Closing Inventory	45000	Sales Returns	4000
Purchases Returns	2500	Purchases Discount	1500

Required:

Prepare the Partial Income Statement for the period ended December 31st 2015.

Ahmed Company Income Statement

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QUEXTION TWO:

(10 Marks)

Manal Company Purchased a truck on January 1st 2014. Relevant information is given below:

Cost Price	BD 20000
Insurance Expense	BD 1000
Import tax	BD 500
Salvage value	BD 2000
Useful life	5 Years

Required:

A-By using the <u>Double Declining Method</u>, Calculate Depreciation Expense, Accumulated Depreciation, Net Book Value, for the **Five** years using following table:

Years	Calculation	Deprecation Expense	Accumulated Deprecation	Net Book Value
2014				
2015				
2016				
2017			~m	
2018		bk	$^{\prime}$ CO.,	

B- Prepare the necessary entries for the year 2016 and 2018.

General Journal

Date	Explanation	PR	Debit (BD)	Credit (BD)

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QUEXTION THREE:

(6 Marks)

- 1- On 1st April, 2013 the books of Seham Establishment shows a balance of BD 50000 for Account Receivable.
- 2- On 15th June, 2013 one of the Account Receivable Amal Company could not pay the balance of BD 3000 balance of some financial problems.
- 3- On 21st September, 2013 Amal Company made some profit and paid 50% of their balance.

Required:

Make the necessary journal entries.

GENERAL JOURNAL

Date	Explanation	Debit (BD)	Credit (BD)
		COLLI	
	ampli		
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QUEXTION FOUR:

(6 Marks)

Khaled Cleaning Services Company accounting period ended 31st December 2015. The trial balance of 1st January 2015 shows the following balance for selected accounts:

Accounts	Amount (BD)
Prepaid Insurance	1200
Service Revenue	15000
Accounts Receivable	22000
Supplies	700
Wages Expense	3600

The following adjustments were appeared on 31st December, 2015.

- 1- Insurance expired, BD 600.
- 2- Completed cleaning services for Wedad Company for BD 850 and agreed to receive the amount later.
- 3- Supplies on hand, 200.
- 4- Accrued wages are 900.

Required: Journalize the following entries for the year ending 31st December 2015.

GENERAL JOURNAL

Date	Explanation	Debit (BD)	Credit (BD)
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QUEXTION SIX:

(14 Marks)

Complete the work sheet of Layla Company for the year ended 31st December, 2014, using the following adjusting entries:

GENERAL JOURNAL

Date	Explanation	Debit (BD)	Credit (BD)
Dec.31	Unearned Rent	700	
	Rent Revenue		700
Dec.31	Accrued Commission Income	1000	
	Commission Income		1000
Dec.31	Insurance Expense	600	
	Prepaid Insurance		600



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Layla Company Work Sheet

	Unadjusted	usted	75\$6	7	Adjusted	sted	Inc	Income	Balanc	Balance Sheet
Account Title	Trial Balance	alance	Adjustments	linents	Trial Balance	alance	State	Statement		
	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
Cash	00006									
Accounts Receivable	17000									
Opening Inventory	25000									
Machine	18000									
Buildings	80000									
Prepaid Insurance	2400									
Account payable		8000								
Unearned Rent		3000			N					
Capital		138400								
Sales		100000								
Sales discount	3500				U					
Commission Income		7000								
Drawings	1500									
Purchases	13000									
Salaries Expense	0009									
Total	256400	256400								
Ending Inventory								0006		
						•				
						j				
Total							10			
			End of Exam	Exam						