

KINGDOM OF BAHRAIN
MINISTRY OF EDUCATION

MODEL ANSWERS

DIRECTORATE OF EXAMINATIONS / CENTRAL EXAMINATION SECTION

100

100

RESIT EXAM 2018/2019

COURSE NAME: ACCOUNTING () TRACK : UNIFIED TRACKS

COURSE CODE: 111 ما TIME: 2 Hours

QUESTION ONE:

A) Complete the following table (using + for Increase, - for Decrease and NE for No Effect).

$$18 \times 0.5 = 9$$

19

NO	Transaction	Assets	Liabilities	Owner's Equity
1	Invested cash in the business	+ /	NE/	+ /
2	Bought equipment on account	+ /	+ /	NE/
3	Performed services for cash	+ /	NE/	+ /
4	Received from account receivable	+ / -	NE/	NE/
5	Paid cash to creditor	- /	- /	NE/
6	Ordered a truck for delivery services	NE/	NE/	NE/

B) Identify the normal balance (debit or credit) for each the following accounts.

NO.	Account title	Normal balance Debit/ Credit
1	Account Receivable	Debit (DR) /
2	Notes Payable	Credit (CR) /
3	Fees Income	Credit (CR) /
4	Services Revenues	Credit (CR) /
5	Salaries Expense	Debit (DR) /
6	Loans	Credit (CR) /
7	Prepaid Rent	Debit (DR) /
8	Capital	Credit (CR) /
9	Premises	Debit (DR) /
10	Drawings	Debit (DR) /

10×1 = 10

22×1

22

QUESTION TWO:**In January 2019 Ahlam started her business (Al-Ahlam Cleaning Services).****During the month of Jan 2019, she completed the following transactions:**

- Jan. 01. Invested BD 55,000 cash in the business.
 06. Bought a machine for BD 8,000 on credit.
 10. Received BD 17,000 for performing service to a customer.
 18. Paid creditors 20% of the balance.
 20. Provided service to customer Ali for BD14,000, received BD4,000 and the balance is on account.
 22. Paid BD900 for advertising expense.
 23. Received the amount due from customer Ali.
 25. Withdrew BD 1,500 for personal use.

Required: show the effect of the above transactions on the basic accounting equation.

Date	Assets			=	Liabilities	+	Owner's Equity	Remarks
	Cash	Accounts Receivable	Machine		Accounts Payable		Capital	
Jan 01	+55,000 /			=		+	+55,000/	Investment/
Jan 06			+8,000/	=	+8,000/	+		
Jan 10	+17,000/			=		+	+17,000/	Services Revenues/
Jan 18	-1,600/			=	-1,600/	+		
Jan 20	+4,000/	+10,000/		=		+	+14,000/	Services Revenues/
Jan 22	-900/			=		+	-900/	Advertising Expense/
Jan 23	+10,000/	-10,000/		=				
Jan 25	-1,500/			=		+	-1,500/	Drawings/

ملاحظات التصحيح:

- 1-يراعي الخطأ المترتب.
- 2-تعطي الدرجة على صحة البيان والرقم معا. أما إذا كتب البيان صحيح والرقم خطأ يعطي نصف الدرجة.
- 3-لا تقبل الاختصارات في أسماء الحسابات المهمة. وتعطي نصف الدرجة على الاختصارات، إذا كانت صحيحة.

QUESTION THREE:

25×1

25

Selected transactions for the AL-Amal Company are presented in the journal entries from below.

GENERAL JOURNAL

Date	Account Title and Explanation	PR	Debit	Credit
Sept 1	Cash		42,000	
	Capital			42,000
Sept 3	Furniture		7,000	
	Account Payable			7,000
Sept 5	Furniture		5,100	
	Cash			2,100
	Account Payable			3,000
Sept 6	Cash		13,100	
	Services Revenues			13,100
Sept 9	Account Receivable		8,000	
	Services Revenues			8,000

Required:

- 1- Post the previous journal entries to "T" account
- 2- Compute ending balance of each account.
- 3- Complete the trail balance at September 10 2018

DR	Cash	CR
1)	42,000/	5) 2,100/
6)	13,100/	
	<u>55,100/</u>	<u>2,100/</u>
Blc,10	53,000/	

DR	Capital	CR
	1)	42,000/

DR	Furniture	CR
3)	7,000/	
5)	5,100/	
Blc,10	12,100/	

DR	Account Payable	CR
	3)	7,000/
	5)	3,000/
	Blc,10	10,000/

DR	Services Revenues	CR
	6)	13,100/
	9)	8,000/
	Blc,10	21,100/

DR	Account Receivable	CR
9)	8,000 /	

AL-Amal
Trail Balance
At September 10 2018

Account Title	Debit BD	Credit BD
Cash	53,000/	
Account Receivable	8,000/	
Furniture	12,100/	
Account Payable		10,000/
Capital		42,000/
Services Revenues		21,100/
Total	73,100/	73,100/

QUESTION FOUR:

12×1

12

The following transactions during the month of April 2018 for Dalal Company.

April 03: Issued Invoice #2225 for Badria Co. for goods BD6,900.

April 06: Returned goods from Badria Co, for BD900.

April 11: Received invoice #3111 from Hayat Est, for goods for BD5,000.

April 12: Returned goods to Hayat Est, for BD200.

April 19: Paid full amount due to Hayat Est.

April 20: Received full amount due from Badria Co.

Required: Prepare journal entries for the previous transactions.

GENERAL JOURNAL		Page No. (1)	
Date	Explanation	Debit (BD)	Credit (BD)
April 03	Account Receivable /	6,900	
	Sales /		6,900
April 06	Sales Returns /	900	
	Account Receivable /		900
April 11	Purchases /	5,000	
	Account Payable /		5,000
April 12	Account Payable /	200	
	Purchases returns /		200
April 19	Account Payable / (5,000 – 200)	4,800	
	Cash /		4,800
April 20	Cash / (6,900 – 900)	6,000	
	Account Receivable /		6,000

22×1

22

QUESTION FIVE:

The following is the trial balances of Radwa Company at 31st December, 2018

Trial Balance
As at 31st December, 2018

Account Title	Debit	Credit
Cash	31,500	
Accounts Receivable	4,500	
Office Supplies	2,000	
Cleaning Equipment	15,200	
Furniture	4,800	
Accounts Payable		11,300
Utilities Payable		2,700
Radwa 's Capital		42,100
Radwa 's Drawings	600	
Service Revenue		9,800
Fees Income		4,200
Rent Expense	3,400	
Salaries Expense	5,650	
Telephone Expense	2,450	
Total	70,100	70,100

Required:

- 1- Prepare the **Income Statement** for the period ended Dec 31 2018.
- 2- Prepare the **Balance Sheet** as at Dec 31 2018.

Radwa Company
1-Income Statement
For the period ended Dec 31 2018

Revenue:		
Service Revenue /	9,800	
Fees Income /	4,200	
Total Revenues		14,000
Expenses:		
Rent Expense /	3,400	
Salaries Expense /	5,650	
Telephone Expense /	2,450	
Total Expenses		11,500
Net Income /		2,500

Radwa Company
2- Balance Sheet
At Dec 31 2018

<u>Current Assets:</u>		<u>Liabilities:</u>	
Cash	31,500 /	Accounts Payable	11,300/
Accounts Receivable	4,500/	Utilities Payable	2,700/
Office Supplies	2,000/		
Total Current Assets	38,000 /	Total Liabilities	14,000 /
<u>Fixed Assets</u>		<u>Owner's Equity</u>	
Cleaning Equipment	15,200/	Radwa 's Capital	42,100/
Furniture	4,800/	+Net Income	2,500/
		- Radwa 's Drawings	(600)/
Total Fixed Assets	20,000 /	Total Owner's Equity	44,000 /
Total Assets	58,000 /	Total liabilities and Equity	58,000 /

END OF ANSWER