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KINGDOM OF BAHRAIN
MINISTRY OF EDUCATION

MODEL ANSWERS

DIRECTORATE OF EXAMINATIONS / EXAMINATION SECTION

SECOND SEMESTER MIDTERM EXAM 2018/2019

COURSE NAME: ACCOUNTING (1)

TRACK: التجاري وتوحيد المسارات

COURSE CODE: 111 ما

TIME: 1 Hour

QUESTION ONE:

A) Determine the debit or credit side for each of the following accounts by putting (√) in the appropriate column :

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NO.	Accounts	Increase or Decrease	Debit	Credit
1.	Buildings	Decrease		√/
2.	Capital	Increase		√/
3.	Drawings	Decrease		√/
4.	Commission Income	Increase		√/
5.	Loan	Decrease	√/	
6.	Salaries Expense	Increase	√/	
7.	Prepaid Insurance	Increase	√/	
8.	Rent Revenue	Increase		

8×1

8

B) Calculate the missing amounts:

Assets			=	Liabilities	+	Owners' equity
Cash	Equipment	Supplies	=	Account payable	+	Capital
10,000	3,200	800	=	<u>6,000 /</u>	+	8,000
22,500	13,000	<u>3000 /</u>	=	15,000	+	23,500
<u>8000 /</u>	11,500	9,500	=	12,000	+	17,000
35,000	<u>21,000 /</u>	6,000		20,000		42,000

4×1

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QUESTION TWO:

24 x 1/2

12

The following transactions are for AL Zain Cleaning services for the month of June 2018:

Date	Transactions
June 1	Invested a machine for BD45,000 in the business.
4.	Received BD6,000 for performing cleaning services.
7.	Purchased supplies for BD2,500 on credit.
14.	Paid the amount due to the creditors.
18.	Withdrew BD200 for private use.
25.	Supplies for BD400 has been used.

Required: Show the effect of the previous transactions on the basic accounting equation:

Date	Assets			=	Liabilities	+	Owners' equity	Remarks
	Cash	Machine	Supplies		Account Payable		Capital	
June 1		+ 45,000 /					+45,000/	Investment//
4	+6000 /						+6000 /	Service Rev.//
7			+2500 /		+ 2500 /			
14	-2500 /				-2500 /			
18	-200 /						-200 /	Drawings //
25			-400 /				-400 /	Supplies exp.//
Bal.	3300	45000	2100		0		50400	
Total	50400 //				50400 //			

QUESTION THREE:

Complete the following journal entries of AL Noor company for the month of March 2018, using the explanation provided:

16 x 1

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Date	Explanation	Debit	Credit
March 1	Cash /	22,000	
	Premises /	15,000	
	Capital /		37,000
	Invested cash BD22,000 and premises BD15,000 in the business.		
March 5	Furniture /	8,000	
	Account Payable /		8,000
	Bought furniture BD8,000 on credit.		
March 8	Truck /	14,000	
	Cash /		14,000
	Paid BD14,000 for purchasing a new truck.		
March 13	Account receivable /	4,000	
	Sales /		4,000
	Sold goods BD4,000 to Ahmed Est. on credit.		
March 17	Cash /	2,000	
	Account receivable /		2,000
	Received half of the amount due from Ahmed Est.		
March 21	Rent expense /	800	
	Cash /		800
	Paid BD800 for Rent.		
March 29	Cash /	8,550	
	Credit card expense / (9000×5%)	450	
	Sales /		9,000
	Sold good BD9,000 to customer Sara who used NBB Visa card, the service charge is 5%		

End of Answers