

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

**FIRST SEMESTER EXAM 2018/2019**

**COURSE NAME:** ACCOUNTING (2)

**TRACK:** التجاري وتوحيد المسارات

**COURSE CODE:** 212 محا

**TIME:** 2 Hours

**QUESTION ONE:**

The following information were extracted from the books of Ameen Company on Dec 31 2017.

Account Title	BD	Account Title	BD
Sales	512,000	Opening Inventory	???
Net Sales	504,000	Cost of Goods Available for Sales	389,500
Sales discount	???	Ending Inventory	10,500
Purchases	385,000	Fees Earned	16,000
Purchases Returns	7,000	Total Operating Expenses	???
Freight In	2,000	Net Profit	58,000

**Required:** Choose the correct answer for each of the following questions by using the previous information and **estate the steps of solution.**

**1- Sales Discount is;**

- a) BD8,000
- b) BD18,000
- c) BD16,000
- d) BD12,000

**2- Net Purchases will be;**

- a) BD392,000
- b) BD378,000
- c) BD385,000
- d) BD380,000

**3- Cost of Purchases are:**

- a) BD380,000
- b) BD377,000
- c) BD387,000
- d) BD383,000

**4- Opening Inventory will be:**

- a) BD12,500
  - b) BD9,500
  - c) BD6,500
  - d) BD16,500
- .....

**5- Cost of Goods Sold are:**

- a) BD400,000
  - b) BD390,500
  - c) BD369,500
  - d) BD379,000
- .....

**6- Gross Profit will be:**

- a) BD114,500
  - b) BD122,500
  - c) BD133,000
  - d) BD125,000
- .....

**7- Total Revenues are:**

- a) BD153,500
  - b) BD138,500
  - c) BD149,000
  - d) BD141,000
- .....

**8- Total Operating Expenses are:**

- a) BD95,500
  - b) BD80,500
  - c) BD83,000
  - d) BD91,000
- .....

**QUESTION TWO:**

**On Jan 1 2015**, Tareq Company Purchased equipment for the amount cost BD120,000. It has an estimated a scrap value for BD9,000 at the end of useful life 5 years . The company uses **Double Declining Balance Method**.

**Required:**

a) Compute Depreciation Rate Double Declining Balance Method:

.....

b) Complete the following table to find **Depreciation expense, Accumulated depreciation and Net book value**.

<b>Year</b>	<b>Calculation</b>	<b>Depreciation expense</b>	<b>Accumulated depreciation</b>	<b>Net book value</b>
<b>2015</b>				
<b>2016</b>				
<b>2017</b>				
<b>2018</b>				
<b>2019</b>				

c) If, Tareq Company purchased equipment **on June 30 2015** and uses **Straight Line Method**. Compute annual **depreciation expense for the first year 2015**.

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**QUESTION THREE:**

Wala Company had the following balances on Dec 31 2016.

Cash Sales BD130,000

Credit Sales BD270,000

Account Receivable BD150,000

**Required:**

**Prepare journal entries for the following transactions by using provision for doubtful debts method:**

a) **On Jan 5 2017**, the company **estimated** bad debts to be 5% from credit sales.

Date	Explanation	Debit	Credit
Jan 5 2017			

b) **On Jan 15 2017**, Customer Sameh has bankrupt and **wrote off** his balance BD3,500 as uncollectible.

Date	Explanation	Debit	Credit
Jan 15 2017			

c) **On Feb 10 2017**, Customer Sameh won money and **paid** BD1,500 from his balance which wrote off on Jan 15 2017.

Date	Explanation	Debit	Credit
Feb 10 2017			
Feb 10			

2017			
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**QUESTION FOUR:**

**Find out the amount** indicated by blanks in columns below, the amount in each column constitute **a separate question.**

Title	A	B	C
Supplies on Jan 1 2017 (opening).	3,000	.....	2,200
Supplies purchased during the year 2017.	5,000	8,000	.....
Supplies on hand on Dec 31 2017 (Ending)	.....	4,000	3,400
Supplies expenses for the year 2017.	6,000	8,500	8,600

**QUESTION FIVE:**

You are required to **prepare the adjusting entries** and **complete the following Work sheet** of Ebrahim Company for the period ended on Dec 31 2017.

**Adjustments:**

- 1) Unearned Rent Revenue for BD3,000 was performed.
- 2) Accrued (Not paid) wages for BD4,800.
- 3) Accrued Interest on notes receivable for BD1,700.

**Notes: Using the information from the work sheet to prepare adjusting entries.**

Date	Explanation	Debit	Credit
<b>Dec 31 2017</b>			
<b>Dec 31 2017</b>			
<b>Dec 31 2017</b>			

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Work Sheet

Account Title	Unadjusted Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
Cash	19,800									
Account Receivable	7,500									
Notes Receivable	4,600									
Premises	135,000									
Machines	58,000									
Unearned Rent Revenues		12,400								
Capital		204,000								
Drawings	3,300									
Services Revenues		16,000								
Interest Revenues		8,000								
Rent Revenues		11,000								
Wages Expenses	12,200									
Advertising Expenses	9,500									
Telephone Expenses	1,500									
<b>Total</b>	<b>251,400</b>	<b>251,400</b>								