

Model (1)

KINGDOM OF BAHRAIN
MINISTRY OF EDUCATION

MODEL ANSWERS

40

DIRECTORATE OF EXAMINATIONS / EXAMINATION SECTION

40

FIRST SEMESTER MIDTERM EXAM 2019/2020

COURSE NAME: ACCOUNTING (2)

TRACK: التجاري وتوحيد المسارات

COURSE CODE: 212 مح

TIME: 1 Hour

QUESTION ONE:

Choose the correct answer - using balances of Income Statement which were extracted from the book of Al Noor Company on 31st December 2018 (All Amounts in BD)

3×2

6

Purchase Returns	800	Purchase	15000
Beginning inventory	2100	Sales Discount	900
Sales	22900	Import tax	300
wages Expense	1100	Ending inventory	3500

1- Net sales =

- a) BD 22900
b) BD 23800

- c) BD 21200
d) **BD 22000 //**

2- Cost of Goods Available for Sale =

- a) BD 12400
b) BD 13100

- c) **BD 16600 //**
d) BD 17700

3- Gross Profit =

- a) **BD 8900 //**
b) BD 8700

- c) BD 9200
d) BD 1900

QUESTION TWO:

Faisal Est. bought a new furniture on May 30, 2017. Use information to answer.

Cost Price	BD 64000
Fright cost	BD 2500

Salvage Value	BD 2000
Useful Life	8 years

A. Find the **Double Declining** Depreciation Rate:

$$1 \div 8 / \times 100 = 12.5\% \times 2 / = 25\% /$$

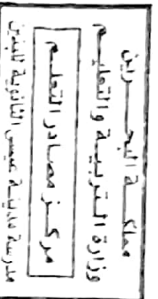
$$\text{Or } 100 \div 8 / \times 2 / = 25\% /$$

B. Calculate the Acquisition cost:

$$64000 / + 2500 / = 66500 /$$

C. Calculate the **Depreciation Expense** for the First Year (2017):

$$66500 / \times 0.25 / \times (7 \div 12) / = 9697.916 /$$



10×1

10

QUESTION THREE:

15×1

15

ABC hospital bought new medical equipment on January 1, 2013.

Relevant information is given below:

Cost Price BD 35000	Transportation cost BD 2500	Insurance fees BD 500	Useful Life 4 Years	Scrap Value BD 2000
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A. Complete the depreciation table by using the Straight Line Method:

Year	Calculation	Depreciation Expense	Accumulated Depreciation	Net Book Value
2013	36000 / X 0.25 / Or 36000 / ÷ 4 /	9000 /	9000 /	29000 /
2014		9000	18000 /	20000 /
2015		9000	27000 /	11000 /
2016		9000	36000 /	2000 /

B. Prepare the journal Entry for the first year (December 31st, 2013)

تعطى الدرجة على صحة البيان
والرقم معاً. ونصف الدرجة
لصحة البيان فقط

Date	Explanation	Debit (BD)	Credit (BD)
Dec 31, 2013	Depreciation Expense – Equipment //	9000	
	Accumulated Depreciation – Equipment //		9000

This area is for any calculation:

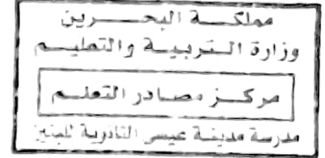
QUESTION FOUR

18 x ½

9

Complete the missing blanks in the following income statement of Narees Company as at 31st Dec 2017:

Narees Company //

Income StatementFor the period ended Dec 31st,2017 //

Revenue from sales:			
Sales Or Gross Sales Or Total sales /		52,300 /	
Sales Return and Allowance		800	
Net sales			51,500
Cost of Goods Sold:			
Opening or Beginning Inventory /		2300 /	
Purchase	29,780		
Purchase Returns	320		
Net Purchase /	29,460 /		
Import tax	240		
Cost of Purchase /		29,700 /	
Cost of Goods Available for sale		32,000	
Ending Inventory /		14,400 /	
Cost of Goods Sold			17,600
Gross Profit			33,900
Other Revenues:			
Commission income			400
Total Revenues /			34,300 /
Operation Expense:			
Rent Expense			2,200
Net Income /			32,100 /

◀ End of Exam Answer ▶