FINAL EXAMINATION

BACHELOR OF BUSINESS ADMINISTRATION (HONOURS)

BACHELOR OF BUSINESS ADMINISTRATION (HONOURS) HUMAN RESOURCE MANAGEMENT

BACHELOR OF CORPORATE ADMINISTRATION (HONOURS)

COURSE	:	**INTRODUCTION TO FINANCIAL AND MANAGEMENT ACCOUNTING**
COURSE CODE	:	**ACC2183**
DURATION	:	**3 HOURS**

INSTRUCTIONS TO CANDIDATES:

1. This question paper consists of **FOUR (4)** questions.
2. Answer **ALL** questions in the Answer Booklet provided.
3. Please check to make sure that this examination pack consists of:
   i. The Question Paper
   ii. An Answer Booklet
   iii. Appendix
4. Do not bring any material into the examination hall. The use of a calculator is allowed.
5. Please write your answer using permanent ink.

MYKAD/ PASSPORT NO : ______________________

ID. NO. : ______________________

LECTURER : ______________________

SECTION : ______________________

DO NOT OPEN THIS QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO

This question paper consists of 5 printed pages including the front page

QUESTION 1

The following Trial Balance was extracted from Nova Enterprise as at 31 December 2025.

PARTICULAR	DEBIT (RM)	CREDIT (RM)
Land and Buildings	215,000	
Furniture	9,500	
Accumulated Depreciation – Furniture		3,800
Motor Vehicles	60,000	
Accumulated Depreciation – Motor vehicles		18,200
Investment	36,000	
Cash	3,400	
Bank	9,200	
Account Receivables and Account Payables	56,000	73,300
Capital		182,150
Drawings	1,800	
Loan from CIMB		95,000
Purchases and Sales	105,800	162,000
Discount Allowed and Discount Received	650	1,100
Carriage Inwards	720	
Carriage Outwards	480	
Return Inwards and Return Outwards	5,200	4,600
Stock as at 1 January 2025	18,500	
Advertising Expenses	1,600	
Dividend Received		450
Rental	3,500	4,200
Bad Debt Expenses	2,300	
Salary Expenses	10,800	
Utilities Expenses	1,950	
Insurance Expenses	2,400	
	544,800	**544,800**

Stock as at 31 December 2025 is recorded at RM54,000.

Required:

a. Illustrate a Statement of Profit or Loss for the year ended 31 December 2025. (14 ½ marks)

b. Illustrate a Statement of Financial Position as at 31 December 2025. (16 ½ marks)

c. Explain **ONE (1)** purpose of each Financial Statement above. (4 marks)

(Total: 35 marks)

QUESTION 2

Suria Enterprise is a local company which sells scarf to all over Klang Valley. For the past two years, Suria Enterprise has achieved the annual targeted sales of 100,000 units. For sustainable purpose, the management of Suria Enterprise has asked the Senior Accountant to calculate and analyse ratios of the business.The following information are related to the extracted Financial Statements for the year ended 31 December 2025.

Particular	RM
Sales	500,000
COGS	94,000
Rental Income	33,000
Commission Received	10,000
Dividend Received	5,000
Inventory as at 1st January 2025	14,000
Bank Overdraft	9,300
Closing Inventory	8,000
Prepayments	4,000
Cash	65,000
Short Term Investment	14,000
Debtor	6,000
Creditor	7,000
Machinery	340,500
Motor Vehicles	195,000

Required:

Calculate the following ratios:

a. Gross Profit Margin.

b. Net Profit Margin.

c. Inventory Turnover Ratio.

d. Current Ratio.

e. Quick Ratio.

f. Debt Ration.

(All answers must be rounded up to ONE decimal place)

(Total: 15 marks)

QUESTION 3

You are provided with the following projected cash flow data for Ketil Sdn Bhd. Shela, the management controller, has been directed to help the budget committee prepare the cash budget for the third quarter 2026.

	Sales (RM)	Purchases (RM)	Overheads (RM)
May	500,000	150,000	105,000
June	520,000	170,000	112,000
July	530,000	180,000	127,000
August	580,000	195,000	136,000
September	610,000	220,000	144,000

Additional information:

1. 20% of total sales are in cash, while 50% of total sales will be received in one month after sales. The remaining balance of total sales will be received in two months after sales.
2. The payments to supplier will be paid in two (2) equal instalments. The first and second instalments will be paid in one month and two months after purchases respectively.
3. The company will receive dividends of RM40,000 which will be paid in the four equal instalments starting from August 2026.
4. Overheads include RM15,500 depreciation per month. Overheads are settled in the month incurred.
5. A machinery costing RM180,000 will be bought in July 2026. RM100,000 will be paid in the month of purchase whilst the balance in the month after.
6. The expected opening cash balance in July is overdraft of RM99,500.

Required:

a. Prepare a cash budget for Ketil Sdn Bhd for the third quarter of 2026.

(23 marks)

b. Discuss **ONE (1)** key responsibility of a budget committee in the budgeting process.

(2 marks)

(Total: 25 marks)

QUESTION 4

Kesha Cookies sells a box of cookies at RM 6.00 each. During the year ended 31 December 2025, the business reports the total sales revenues of RM480,000. The following total costs are extracted from the books of the business for the year:

Total fixed costs	RM	Total variable costs	RM
Production	100,000	Direct materials	80,000
Administration	40,000	Direct labour	60,000
		Other costs	60,000

Required:

a. Compute the followings:

i. Break-even points (BEP) in units and value (RM).

(8 ½ marks)

ii. Margin of safety (MOS) in units and value (RM).

(3 marks)

iii. Current net profit.

(1 ½ marks)

b. The management of Kesha Cookies is planning to improve the profit by raising the product's selling price and direct material by 10%. The company will incur additional fixed advertising cost RM20,000 per annum.

Compute the new BEP and MOS in both units and value (RM).

(10 marks)

c. Explain **ONE (1)** reason to understanding cost-volume-profit (CVP) relationships is important for managing a business.

(2 marks)

(Total: 25 marks)

(TOTAL: 100 MARKS)

END OF QUESTION PAPER

APPENDIX

1. Gross profit margin $= \frac{\text{Gross profit}}{\text{Sales}} \times 100$

2. Net profit margin $= \frac{\text{Net profit}}{\text{Sales}} \times 100$

3. Inventory turnover ratio $= \frac{\text{Cost of goods sold}}{\text{Average inventory}}$

4. Current ratio $= \frac{\text{Current assets}}{\text{Current liabilities}}$

5. Quick ratio (Acid-test ratio) $= \frac{\text{Current assets} - \text{Inventory} - \text{Prepayments}}{\text{Current liabilities}}$

6. Total costs = Fixed costs + Variable costs

7. Total contribution margin = Total sales – Total variable costs
   = (Selling price x Units) – (Unit variable cost x Units)

8. Unit contribution margin (UCM) = Selling price – Variable cost per unit
   OR
   $= \frac{\text{Total contribution margin}}{\text{Volume}}$

9. Contribution margin ratio (CS ratio) $= \frac{\text{Total contribution margin}}{\text{Total sales}}$
   OR
   $= \frac{\text{UCM}}{\text{Selling price}}$

10. Target sales (Units) $= \frac{\text{Fixed costs} + \text{Target profit}}{\text{UCM}}$

11. Target sales (RM) $= \frac{\text{Fixed costs} + \text{Target profit}}{\text{CS ratio}}$

12. Margin of safety (Units) = Existing sales (Units) – BEP (Units)

13. Margin of safety (RM) = MOS (Units) x Selling price
    OR
    = Sales (RM) – BEP (RM)

14. Break-even point (BEP) in units $= \frac{\text{Fixed Costs}}{\text{UCM}}$

15. BEP (RM) $= \frac{\text{Fixed costs}}{\text{CS ratio}}$
    OR
    = BEP (Units) x Selling price

16. Net profit = Total contribution margin – Fixed costs
    OR
    = Total sales – Total costs