



FINAL EXAMINATION
FOUNDATION IN COMMERCE

COURSE : INTRODUCTION TO FINANCIAL ACCOUNTING

COURSE CODE : ACC1424

DURATION : 2 HOURS

INSTRUCTIONS TO CANDIDATES:

1. This question paper consists of **TWO (2)** parts: PART A (10 questions)
PART B (3 questions)
2. Answer ALL questions from **ALL** parts.
 - i. Answer PART A in the Objective Answer Sheet provided.
 - ii. Answer PART B in the Answer Booklet provided.
 - iii. Start each answer on a new page.
3. Please check to make sure that this examination pack consists of:
 - i. The Question Paper.
 - ii. An Answer Booklet.
 - iii. The Objective Answer Sheet.
4. Do not bring any material into the examination hall. Electronic 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 8 printed pages including the front page.

PART A: MULTIPLE CHOICE

Answer **ALL** questions.

1. Bank charges appearing in the bank statement but not yet recorded in the cash book should be treated as:

A. No adjustment required.
B. An addition in the cash book.
C. A deduction in the cash book.
D. An addition in the bank statement.
2. Which of the following is **NOT** a cause of difference between the cash book and the bank statement?

A. Cash sales.
B. Errors in recording.
C. Timing differences.
D. Outstanding cheques.
3. A customer paid RM1,200 directly into the company's bank account. This transaction was not recorded in the cash book. This will result in:

A. An overdraft in the cash book.
B. No difference between balances.
C. Bank statement balance being higher than cash book balance.
D. Cash book balance being higher than bank statement balance.
4. The cash book balance was RM2,750. The bank statement showed a dishonored cheque of RM450 and bank charges of RM50 not yet recorded.

What is the updated cash book balance?

- A. RM2,250
B. RM2,700
C. RM2,350
D. RM2,200
5. The bank statement shows a balance of RM9,000. Cash not yet banked amounted to RM1,200 and cheques not yet presented amounted to RM2,000.

What is the cash book balance?

- A. RM7,800
B. RM8,200
C. RM10,200
D. RM12,200

6. The Statement of Financial Position shows:
- A. Profit earned during the year.
 - B. Cash receipts and payments.
 - C. Income and expenses for a period.
 - D. Assets, liabilities and equity at a specific date.
7. Which of the following items is classified as a current asset?
- A. Land.
 - B. Machinery.
 - C. Long-term loan.
 - D. Trade receivables.
8. Which of the following financial statements shows the financial position of a business at a specific date?
- A. Statement of Profit or Loss.
 - B. Statement of Cash Flows.
 - C. Statement of Changes in Equity.
 - D. Statement of Financial Position.
9. Cost of sales is RM36,000 and gross profit is RM14,000.
- What is the revenue?
- A. RM22,000
 - B. RM36,000
 - C. RM50,000
 - D. RM14,000
10. At the beginning of the year, capital was RM40,000. During the year, the owner introduced additional capital of RM5,000 and made drawings of RM7,000. The profit for the year was RM12,000.
- What is the closing capital?
- A. RM45,000
 - B. RM50,000
 - C. RM54,000
 - D. RM56,000

(TOTAL: 10 MARKS)

PART B: STRUCTURED

QUESTION 1

The following are cash book (bank column) and bank statement from KSB Bank for the month of January 2026 for Carcosa Enterprise. The accountant realized that both statements showed a difference in the balances between the bank statement and the cashbook's records.

Cash Book					
2026			2026		
January			January		
		RM		Cheque No	RM
1	Balance b/d	61,560	4	Qiqi Trading	1111 4,440
5	Zip Sdn Bhd	15,000	5	Hayatun Bhd - Creditor	1112 13,400
6	Sales	21,000	8	Water and electricity	1113 1,100
13	Sales	1,200	9	Purchases	1114 9,000
17	Legacy Enterprise	6,240	10	Purchases	1115 6,400
20	Sales	2,200	12	Advertising	1116 17,600
27	Kian Bhd - Debtor	12,600	15	Office rental	1117 4,000
27	Lambda Bhd	11,400	17	Wages and salaries	1118 16,360
28	Sun Bhd	5,760	20	Transportation charges	1119 2,500
			23	Rimba Manufacturing	1120 3,240
			25	Rose Trading	1121 3,400
			28	Purchases	1122 2,720
			31	Balance c/d	52,800
		<u>136,960</u>			<u>136,960</u>

KSB Bank					
Bank Statement as at 31 January 2026					
January 2026	Particulars	Cheque No	Debit RM	Credit RM	Balance RM
1	Balance b/d				61,560
4	Cheque clearing	1111	4,440		57,120
5	Cheque clearing	1112	13,400		43,720
6	Cheque deposited	80808		21,000	64,720
8	Payment-bills	1113	1,100		63,620
9	Cheque clearing	1114	9,000		54,620
10	Cheque clearing	1115	6,400		48,220
13	Cheque deposited	80811		1,200	49,420
15	Cheque clearing	1117	4,000		45,420
17	Standing order: Insurance		4,200		41,220
20	Cheque deposited	20110		2,200	43,420
20	Cheque clearing	1118	17,620		25,800
25	Cheque clearing	1121	3,400		22,400
25	Bank charges		100		22,300
28	Cheque deposited	30210		5,760	28,060
28	Cheque clearing	1122	2,720		25,340
30	Dividend received			640	25,980

Additional information:

- i. Cheque no. 1118 was recorded wrongly in the cash book (bank column) as RM16,360. The correct amount is RM17,620.
- ii. Cheque from Legacy Enterprise deposited on 17 March 2026 was returned by the bank due to an error.

Required:

- a. Prepare updated bank account.
(7 marks)
 - b. Prepare Bank Reconciliation Statement as at 31 January 2026.
(8 marks)
- (Total: 15 marks)

QUESTION 2

Bersihnya Ltd Co is a manufacturer of a detergent product. One of the materials used is 'Benzoit CFC 001'. The company maintains its stocks by using a perpetual inventory control system. It uses the FIFO method of stock valuation. On 1 December 2025, the company had stock of 55 kgs valued at RM550.

The following transactions took place in the month of January 2026:

- | | |
|----|---------------------------------------|
| 2 | Purchased 200 kgs @ RM12.00/kg |
| 7 | Issued 180 kgs to the production unit |
| 12 | Purchased 360 kgs @ RM12.50/kg |
| 15 | Issued 151 kgs to the production unit |
| 20 | Issued 210 kgs to the production unit |
| 24 | Purchased 200 kgs @ RM13.00/kg |

Required:

- | | | |
|----|---|-------------------|
| a. | Prepare a Store Ledgers Account using FIFO method for the month of January 2026. | (13 marks) |
| b. | Determine the cost of material issued to the production unit. | (1 marks) |
| c. | Determine the value of ending inventory. | (1 marks) |
| | | (Total: 15 marks) |

QUESTION 3

Artab Trading extracted the following balance as at 31 December 2025:

	Debit (RM)	Credit (RM)
Bank	75,000	
Debtor & Creditor	55,200	23,500
Building	476,000	
Fixtures and fitting	127,600	
Motor vehicle	105,000	
Advertising expenses	6,200	
Capital		300,200
Cash	28,200	
Rental	60,800	73,300
Drawings	8,300	
Commission received		12,400
Mortgage (For 3 years)		150,000
Insurance expenses	22,500	
Purchases & sales	90,200	342,305
Discounts	15,800	6,500
Returns	6,700	8,650
Carriage inwards	5,850	
Carriage outwards	6,300	
Utilities expenses	9,650	
Accumulated depreciation of motor vehicle		45,225
Accumulated depreciation of fixtures and fitting		25,400
Stationery expenses	2,900	
Stock as at 1 January 2025	50,480	
Wages expenses	34,800	
Hong Leong Bank Loan (For 4 years)		200,000
	<u>1,187,480</u>	<u>1,187,480</u>

Additional information:

1. Stock as at 31 December 2025 was valued at RM 46,000.
2. Depreciation is to be provided as follows:

Motor vehicle	RM15,750
Fixtures and fitting	RM12,760
3. Insurance prepayment was recorded as RM1,000.
4. Commission received for December 2024 amounting to RM4,500 was not included in the accounts.

Required:

- a. Prepare Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2025.

(30 marks)

- b. Prepare Statement of Financial Position as at 31 December 2025.

(30 marks)

(Total: 60 marks)

(TOTAL: 90 MARKS)

(TOTAL: 100 MARKS)

END OF QUESTION PAPER