

KINGDOM OF BAHRAIN  
MINISTRY OF EDUCATION

**MODEL ANSWERS**

**DIRECTORATE OF EXAMINATIONS / EXAMINATION SECTION**

60

60

**SECOND SEMESTER EXAM 2022/2023**

**COURSE NAME:** ACCOUNTING (3)

**TRACK:** توحيد المسارات

**COURSE CODE:** 213 ما

**TIME:** 1.5 Hours

**QUESTION ONE:**

The following is the adjusted trail balance, which prepared at December 31, 2022 for Hamad Company:

15

15

تعليمات عامة للتصحيح:

1- يراعى الخطأ المترتب.

2- تعطى درجة الشرطة على البيان والرقم

معاً، ونصف درجة الشرطة على البيان

فقط إذا كان صحيح.

**Hamad Company  
Adjusted Trial Balance  
December 31, 2022**

Account Title	Debit (BD)	Credit (BD)
Cash	35,000	
Accounts Receivable	5,000	
Equipment	12,600	
Motor Van	17,400	
Unearned Services Revenue		4,200
Capital		60,500
Hamad, Drawings	2,500	
Services Revenue		8,800
Fees Earned		3,000
Salaries Expense	1,500	
Insurance Expense	2,000	
Electricity Expense	500	
<b>Totals</b>	<b>76,500</b>	<b>76,500</b>

**Required:**

1. Prepare the necessary **closing entries** at December 31, 2022.
2. Prepare a **post-closing trial balance** at December 31, 2022.

الإسلام حسن السمان

**Solution:**

11 × 1 = 11 Marks

**GENERAL JOURNAL  
1- CLOSING ENTRIES**

Date	Explanation	PR	Debit (BD)	Credit (BD)
Dec.31	Services Revenues/		8,800	
	Fees Earned /		3,000	
	Income Summary/			11,800
Dec.31	Income Summary/		4,000	
	Salaries Expense/			1,500
	Insurance Expense/			2,000
	Electricity Expense/			500
Dec.31	Income Summary/		7,800	
	Hamad, Capital /			7,800
Dec.31	Hamad, Capital/		2,500	
	Hamad, Drawings/			2,500

**Hamad Company  
2- Post - Closing Trail Balance  
December 31, 2022**

8 × 0.50 = 4 Marks

Account Title	Debit (BD)	Credit (BD)
Cash/	35,000	
Accounts Receivable/	5,000	
Equipment/	12,600	
Motor Van/	17,400	
Unearned Services Revenue/		4,200
Capital/		65,800
<b>Totals</b>	<b>70,000/</b>	<b>70,000/</b>

الإسلام  
عبد الرحمن  
عبد الرحمن

**QUESTION TWO:**

Fajer Company uses a **perpetual inventory system**. It entered into the following information for the first week of May 2022.

52×0.25

13

Date	Explanation	Units	Unit Cost (BD)	Unit Sold (BD)
May 01	Beginning Inventory	200	5	
May 02	Purchases	300	6	
May 03	Sales	250		15
May 04	Purchases	150	8	
May 05	Purchases	400	10	
May 06	Sales	300		15

**Required:**

Compute cost of goods sold and cost of ending Inventory using **FIFO Method**.

**Solution:**

Date	Goods Purchased	Cost of Goods Sold	Inventory Balance
May 01/			200/×5 /= BD1,000/
May 02/	300/×6/ = BD1,800/		300/×6/ = BD1,800/
May 03/		200/×5/ = BD1,000/	
		50/×6 /= BD300/	
			250/×6/= BD1,500/
May 04/	150/×8/= BD1,200/		150/×8/= BD1,200/
May 05/	400/×10/= BD4,000/		400/×10/= BD4,000/
May 06/		250/×6/= BD1,500/	
		50/×8/= BD400/	
			100/×8/= BD800/
			400/×10/= BD4,000/
<b>Total</b>		<b>550/ 3,200/</b>	<b>500/ BD4,800/</b>

10×1

10

**QUESTION THREE:**

The following information for Sultan Est. is shown on July 31, 2022:

	BD
Cash balance per books	1250
Balance per bank statement	1205
Outstanding checks	250
Deposits not entered by the bank	395
Collection of notes by the bank not entered in cash book	225
Bank service charges not entered in books	70
Check returned "refer to drawer" not entered in books	230
Interest revenue received by bank not entered in books	175

**Required:**

Prepare the Bank Reconciliation for the month of July 2022.

**Solution:**

Sultan Est  
**Bank Reconciliation**  
July 31, 2022

<b>Balance per bank statement /</b>	<b>1205</b>	<b>Cash per books/</b>	<b>1250</b>
<b>Add:</b> Deposits in transit /	395	<b>Add:</b>	
	<b>1,600</b>	Collection of Notes Receivable/	225
		Interest Revenue /	175
			<b>400</b>
			<b>1650</b>
<b>Less:</b>		<b>Less:</b>	
Outstanding Checks /	<b>250</b>	Bank Services Charge /	70
		NSF Checks /	230
			<b>300</b>
<b>Adjusted Bank Statement Balance /</b>	<b>1,350</b>	<b>Adjusted Book Balance /</b>	<b>1,350</b>

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**QUESTION FOUR:**

10×1

10

Abdulrahman Company maintains a petty cash fund for small expenditures. The following transactions occurred during October 2022.

October 01: Established petty cash fund by writing a check for BD140.

October 20: Replenished the petty cash fund by writing a check for BD132. On this date the fund consisted of BD8 in cash and the following petty cash receipts: transportation BD45, postage expense BD32, entertainment expense BD38, and miscellaneous expense BD19.

October 31: Increased the amount of the petty cash fund to BD170.

**Required:**

Prepare the necessary journal entries for the petty cash transactions.

**Solution:****General Journal**

Date	Explanation	Debit	Credit
October 01	Petty Cash /	140	
	Cash/		140
October 20	Transportation expense /	45	
	Postage expense/	32	
	Entertainment expense/	38	
	Miscellaneous Expenses/	19	
	<b>Cash over and <u>short/</u></b>		<b>2</b>
	Cash/		132
October 31	Petty Cash /	30	
	Cash/		30

**QUESTION FIVE:**

Sales figures of Halah Company from 2020 to 2022 are as follows:

2020	2021	2022
BD250,000	BD270,000	BD310,000

12×1

12

**Required:**

Measure all percentage of increase or decrease for the Sales, if 2020 is the base year.

(Using Horizontal Analysis)

**Solution:**

2020	2021	2022
BD250,000	BD270,000	BD310,000
$\frac{250,000 / -250,000 /}{250,000 /} \times 100 = 0\% /$	$\frac{270,000 / -250,000 /}{250,000 /} \times 100 = 8\% /$	$\frac{310,000 / -250,000 /}{250,000 /} \times 100 = 24\% /$

**END OF ANSWER**