



**UNIVERSITI KUALA LUMPUR
Malaysia France Institute**

**FINAL EXAMINATION
JANUARY 2011 SESSION**

SUBJECT CODE : FVB 30402
SUBJECT TITLE : INTRO TO BUSINESS ACCOUNTS AND FINANCE
LEVEL : BACHELOR
TIME / DURATION : 2.00pm – 4.00pm
(2 HOURS)
DATE : 03 MAY 2011

INSTRUCTIONS TO CANDIDATES

1. Please read the instructions given in the question paper **CAREFULLY**.
 2. This question paper is printed on both sides of the paper.
 3. Please write your answers in the answer booklet provided.
 4. Answer should be written in blue or black ink except for sketching, graphic and illustration.
 5. This question paper consists of **TWO (2)** sections. Section A and B. Answer all questions in Section A and B.
 6. Answer all questions in English.
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THERE ARE 5 PAGES OF QUESTIONS, INCLUDING THIS PAGE.

SECTION A (Total: 40 marks)**INSTRUCTION: Answer ALL questions.****Please use the answer booklet provided.**

- a. Define margin of safety. (2 marks)
- b. Define opportunity cost. (2 marks)
- c. Define preferred stock. (2 marks)
- d. Define variable cost. (2 marks)
- e. Give one reason why companies practice depreciation in the accounting system. (2 marks)
- f. List three importance of cash to the reporting entity. (6 marks)
- g. List two formats of presenting Statement of Financial Position. (4 marks)
- h. State the two capital investment assessment methods. (4 marks)
- i. What decision making basis to make if one company is to decide which depreciation method to adopt? (2 marks)
- j. What is overdraft? (2 marks)
- k. What is the maximum number of members in partnership entity? (2 marks)
- l. What law governed the establishment of Sendirian Berhad companies in Malaysia? (2 marks)
- m. Define accounting equation. (2 marks)
- n. What is the taxable income rate for local businesses? (2 marks)
- o. List two key characteristics of accounting information. (4 marks)

