CONFIDENTIAL

UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL

FINAL EXAMINATION
MARCH 2026 SEMESTER

COURSE CODE	:	EIB11403
COURSE NAME	:	PRINCIPLES OF ACCOUNTING
PROGRAMME NAME	:	BACHELOR OF ISLAMIC FINANCE (HONS)
DATE	:	27 JUNE 2026
TIME	:	2PM – 5PM
DURATION	:	3 HOURS

INSTRUCTIONS TO CANDIDATES

1. **Please CAREFULLY read the instructions given in the question paper.**
2. **This question paper has information printed on both sides of the paper.**
3. This question paper consists of **FOUR (4) questions**.
4. Answer **ALL** questions.
5. Please write your answers on the answer booklet provided.
6. All questions must be answered in **English** (any other language is not allowed).
7. **This question paper must not be removed from the examination hall.**

THERE ARE SEVEN (7) PAGES OF QUESTIONS, EXCLUDING THIS PAGE.

(Total: 100 marks)

INSTRUCTION: Answer ALL questions.
Please use the answer booklet provided.

Question 1

(a) Complete the following table with appropriate accounts and with the amount written correctly:

	Debit	**Credit**
Zulaikha invested RM50,000 to start her bakery business.		
Zulaikha obtained RM50,000 from CIMB Bank to expand her business.		
The business sold goods on credit to Amirah Hotel Sdn Bhd value at RM5,000.		
The business bought a second-hand van valued at RM30,000 using the company cheque.		
The business bought two sets of ovens valued at RM10,000 in total on credit from Razali Ovens Sdn Bhd.		
Cash sales for the month were RM10,000.		
Zulaikha brought in her used furniture into the business. The furniture was valued at RM10,000.		

(14 marks)

(b) Complete the following table with an appropriate answer:

	Accounting Concept	One Example
Revenue is recognised when it is earned and expenses are recognised when they are incurred regardless of the time of cash receipt or cash payment.		
The economic activities of a business can be divided into regular time periods, namely monthly, quarterly or yearly.		
The entity is assumed to continue in operation for the foreseeable future or for an indefinite period of time. The business is not expected to be dissolved in the near future.		

(6 marks)

[20 marks]

Question 2

The record of Firzanah and Fatini Sdn. Bhd. (FFSB) at the end of December 2025 showed a balance in the bank accounts of RM85,000 (Debit). As of 31 December 2025, the bank statement for FFSB showed a credit balance of RM81,200. An examination of the two records revealed the following discrepancies:

(1) Interests received of RM500 on a fixed deposit placed with the bank were not recorded in the bank account.
(2) Interest expenses of RM1,000 were not recorded in the bank account.
(3) Bank charges of RM200 were not recorded in the bank account as well.
(4) Stamp duties for FFSB new cheques requisition from the bank of RM100 were not recorded in the bank account as well.
(5) Cheque received of RM2,000 from Amirah Food Sdn. Bhd. was not credited by the bank.
(6) Amirul Catering Sdn. Bhd. paid RM3,500 to FFSB, but the bank has yet to update in the FFSB bank account.
(7) Payment of RM2,500 received from Eirfan Fitri Sdn. Bhd. was not presented by the bank as well.
(8) Payment of RM3,000 made to Zafri Engineering Sdn. Bhd. was not presented by the bank.
(9) Cheque paid to Mesra Ayu Sdn. Bhd. of RM2,000 was not updated by the bank as well.
(10) Payment made to Peter Pan Sdn. Bhd. of RM2,000 did not appear in the bank statement.
(11) A cheque worth RM3,000 received in November 2025 was bounced.

Required:

(a) Prepare an adjusted bank account balance as at 31 December 2025.
(6 marks)

(b) Prepare a bank reconciliation statement as at 31 December 2025.
(10 marks)

(c) Explain in **TWO (2)** reasons why it is advisable to prepare bank reconciliation monthly.
(4 marks)
[20 marks]

Question 3

The following details have been extracted from the accounts of Khalid Construction Sdn. Bhd. (KCSB) for the last two years. The company's year ends on 31 December.

	2024 RM'mill.	**2025 RM'mill.**
Sales	100	120
Gross Profit	25	40
Net Profit	15	15
Non-Current Assets	70	65
Inventories	5	15
Trade Receivables	15	30
Trade Payables	10	30
Bank	2	-
Bank Overdraft	-	10
Long Term Liability	150	200
Shareholders Capital	500	500

Required:

(a) Calculate for each of the two years listed above. Please show all your workings.

i) Gross profit percentage.
ii) Net profit percentage.
iii) Quick ratio.
iv) Gearing ratio.

(8 marks)

(b) Comment on KCSB's performances with respect to each of the ratios in (a) if KCSB's closest competitor has the following ratios in the year 2025.

i) Gross profit percentage = 35%
ii) Net profit percentage = 20%
iii) Quick ratio = 1.25
iv) Gearing ratio = 15%

(8 marks)

(c) If you are KCSB's Chief Financial Officer (CFO), advise in **TWO (2)** ways to improve KCSB's performance.

(4 marks)

[20 marks]

Question 4

The trial balance of Abad Baru Sdn. Bhd. (ABSB) as of 31 December 2025 is listed as follows:

Abad Baru Sdn. Bhd.

Trial Balance as at 31 December 2025

Descriptions	Debit RM	Credit RM
Bank	130,400	
Trade Receivables and Payables	112,000	82,000
Purchases and Sales	432,000	740,000
Purchase and Sales Return	20,000	25,000
Land	500,000	
Plant and Machinery (P&M)	120,000	
Furniture and Fitting (F&F)	20,000	
Inventories	10,000	
Bad debts	8,000	
Salaries	52,000	
Import Duties	7,000	
Carriage Inwards	9,500	
Stationeries	7,000	
Marketing Expenses	11,000	
Maintenance Expenses	20,000	
Carriage Outwards	28,000	
Prepaid Insurance Charges	3,600	
Utilities Expenses	7,000	
Administrative Expenses	16,500	
Investment Incomes		5,000
Provision for Doubtful Debts		5,000
Accumulated Depreciation:		
- P&M		6,000
- F&F		1,000
Bank Loan		100,000
Shareholders Capital		550,000
	1,514,000	1,514,000

Other information:

(1) Inventories as of 31 December 2025 were RM15,000.

(2) The company management decided to write off further bad debts of RM2,000. Provision for doubtful debts is at 5% of the Trade Receivables amount.

(3) The bank loan carries an Interest rate of 8% per annum. It is the company policy to pay interest charges at the end of every year.

(4) Accrued Expenses:
  - i) Legal Fees RM3,000.
  - ii) Directors' Remunerations RM15,000.
  - iii) Maintenance RM4,000.
  - iv) Audit Expenses RM3,000.

(5) Prepaid Expenses:
  - i) Stationery RM2,000 and
  - ii) Marketing Expenses RM1,000.

(6) Depreciation charges are at 5% on the cost per annum of all depreciable non-current assets.

(7) Interest of RM5,000 is yet to be received from the bank.

(8) On 31 December 2025, ABSB bought the items mentioned below which were not recorded.
  - i) Investment in shares of RM30,000 through cash.
  - ii) Motor Vehicle through 100% Hire Purchase Loan. The motor vehicle was valued at RM100,000.

Required:

(a) Prepare the Statement of Profit or Loss (post adjustments) for the year ended 31 December 2025.

(20 marks)

(b) Prepare the Statement of Financial Position (post adjustments) as at 31 December 2025.

(20 marks)

[40 marks]

END OF EXAMINATION PAPER