UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL

FINAL EXAMINATION
MARCH 2026 SEMESTER

COURSE CODE	:	EEB10303
COURSE NAME	:	BUSINESS ACCOUNTING
PROGRAMME NAME	:	BACHELOR OF BUSINESS ADMINISTRATION (HONS)
DATE	:	20 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 SIX (6) PAGES OF QUESTIONS, EXCLUDING THIS PAGE.

(Total: 100 marks)

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

Question 1

Zainora is a sole trader who sells electrical appliances. Below are the transactions for July 2026.

Date July	Transactions
1	Zainora started her business by investing into the business, RM50,000 cash and RM1,000 bank.
2	The business bought a van paying by cash RM25,000.
6	The business bought office fixtures RM4,000 on credit from Hexagon Furniture Co.
7	Paid cash RM3,000 to Hexagon Furniture Co, for transaction on July 6.
13	Zainora took cash RM1,000 for her personal use.
15	Sold goods on credit to Solehah and Maryam worth RM80 and RM1,150.
17	Paid cash for advertising expenses amounted to RM500.
20	A loan of RM100,000 cash was received from MBSB Bank.
23	Goods returned by Solehah and Maryam worth RM10 and RM50 respectively.
25	Bought goods on credit from Malek for RM390 and Ryan for RM710.
27	Returned goods to Malek and Ryan worth RM20 and RM35 respectively.
29	Paid Malek RM250 and Ryan RM400 by cheque.

Required:

(a) Record the above transactions in the appropriate ledgers and balance off the figures.
(12 marks)

(b) Prepare the Trial Balance as at 31 July 2026.
(6 marks)

(c) Define the “going concern” concept.
(2 marks)
[20 marks]

Question 2

Wawasan Trading Sdn. Bhd. is a sundry shop business, owned by Encik Yassen. It had the following trial balance as at 31 January 2026.

Wawasan Trading Sdn. Bhd.
Trial Balance as at 31 January 2026

	Debit (RM)	Credit (RM)
Capital		100,000
Accounts payable		11,000
Accounts receivable	5,000	
Cash at bank	3,000	
Cash in hand	2,000	
Inventory as at 1 February 2025	500	
Electricity expense	400	
Rent revenue		4,500
Telephone expense	600	
Interest expense	150	
Discount allowed	280	
Discount received		500
Land	122,650	
Drawings	800	
Loan from ASB Bank (10% per annum)		30,000
Insurance expenses	950	
Salaries	12,000	
Delivery van at cost	15,000	
Carriage inwards	180	
Carriage outwards	690	
Sales		40,000
Purchases	26,000	
Returns outwards (purchase returns)		6,500
Returns inwards (sales returns)	4,500	
Bad debts expense	300	
Allowance for doubtful debts		1,000
Accumulated depreciation - delivery van		1,500
Total	**195,000**	**195,000**

Additional information:

i. The closing inventory as at 31 January 2026 is RM7,800.

ii. Interest on loan from ASB Bank for half a year was not yet paid.

iii. Insurance expense paid in advance amounted to RM50.

iv. Rent revenue of the amount of RM190 was not yet received.

v. The unexpired portion of electricity expense is RM250.

vi. Depreciation on the delivery van is at the rate of 20% per year on cost.

vii. The owner withdraws cash RM480 and goods RM620 for personal use.

Required:

(a) Prepare the Statement of Profit or Loss for the year ended 31 January 2026.

(18 marks)

(b) Prepare the Statement of Financial Position as at 31 January 2026.

(17 marks)

[35 marks]

Question 3

Tenley Sdn. Bhd. (TSB) produces and sells wooden pallets that are used for moving and stacking materials. The operating costs for the past year were as follows:

Variable cost per unit:	**RM**
Direct Material	3.35
Direct Labour	1.78
Variable Overheads	1.60
Variable Selling	0.90
Fixed cost per year	
Manufacturing overhead	180,000
Selling and administrative	96,000

During the year, TSB produced 300,000 wooden pallets and sold 306,500 at RM9 each. TSB had 11,300 pallets in beginning finished goods inventory. Costs have not changed from last year to this year.

Required:

(a) Calculate the product cost per unit using absorption costing.

(2 marks)

(b) Calculate operating income using absorption costing.

(8 marks)

(c) What would the per-unit product cost be under variable costing?

(2 marks)

(d) Calculate operating income using variable costing.

(8 marks)

[20 marks]

Question 4

Jasmia Sdn. Bhd. (JSB) produces a type of toy that is sold for RM120 per unit. The annual production and sales for the toys are 1,500 units.

The following data consist of costs incurred during the year ended 2025:

	RM
Material (100% variable)	45,000
Labour (60% variable)	30,000
Variable selling expenses	12,000
Fixed selling expenses	25,100
Fixed administrative expenses	20,100

The management accountant of the company is proposing the following alternatives to increase sales for the year 2026 and to reduce the idle capacity:

1. Reducing the selling price to RM115 per unit, which would lead to an estimated increase in the sales volume by 25%.

2. An increase in sales would result in an increase in variable labour cost per unit by 15%.

3. Fixed selling expenses are also expected to increase to RM26,000 due to an aggressive advertising campaign planned to boost sales.

Required:

(a) Determine the following costs in year 2025:

i. Total variable costs per unit.

(3 marks)

ii. Total fixed costs.

(2 marks)

(b) Calculate the following in the year 2025:

i. Break-even points in units and value.

(4 marks)

ii. Margin of safety in units and value.

(4 marks)

iii. The expected sales value if the company targets a profit of RM100,000.

(5 marks)

(c) Advise the management of JSB on whether the company should implement the proposed alternative for the year 2026. (Show profit comparison).

(7 marks)

[25 marks]

END OF EXAMINATION PAPER