



PEI HWA HIGH SCHOOL
2025 FINAL-YEAR EXAMINATION
SENIOR MIDDLE THREE
BOOK-KEEPING AND ACCOUNTING
PAPER 2 – SUBJECTIVE QUESTIONS

NAME: _____ ()

Date: 16 Oct 2025 (Thu.)

CLASS: SM3 De

Time: 12.40pm – 03.40pm

SET BY: SekCM

INSTRUCTION TO CANDIDATES

1. This subject comprises two papers:
 Paper 1: Multiple-choice questions (20%),
 Paper 2: Subjective Questions (80%).
2. Paper 2 consists of two sections:
 Section A (Compulsory): Attempt **all** the three questions (60%),
 Section B (Elective): Attempt any **one**, but not more than one from the three questions (20%)
 You are required to attempt a total of **four** questions.
3. **Begin each answer on a fresh page.**
4. Use only blue or black ink to write your answer.
5. Do not copy the questions, but the questions numbers should be clearly written.
6. **Workings must be shown.**
7. Unless otherwise specified, the prescribed electronic calculators may be used.
8. Arrange the answer scripts in numerical order with the provide marking-sheet.
9. Complete Paper 2 within 3 hours allocated.
10. Paper 2 consists of eleven printed pages.

DO NOT TURN OVER THIS PAGE UNTIL YOU ARE TOLD TO DO SO

Section A: Compulsory Questions (60%)

Attempt all the questions in this section.

Question 1

- A. NinjaTT Trading maintains a Petty Cash Book on the imprest system with a fixed float of RM 250 to record small cash payment for the business. The balance is restored to its full imprest amount on the first day of the following month by receiving a cheque. Any payment greater than RM 100 is not to be paid from Petty Cash.

The following petty cash transactions occurring during September 2025:

		RM
2025		
Sep 1	Total petty cash payments for August 2025 amounted to RM 185.	
	Received a cheque to reimburse the petty cash to its imprest amount.	?
2	Paid for stationery.	28.60
3	Paid for motor car repairs.	89.00
5	Paid for petrol for motor car.	68.30
7	Paid laundry expenses for office curtains.	18.70
12	Bought 3-in-1 white coffee for staff.	25.80
15	Bought tissue paper.	8.80
19	Paid office cleaning expenses.	35.00
20	Bought a printer (EPSON). [section B (ii)]	450.00
23	Entertainment expenses - staff meal at Marrybrown.	79.00
25	Bought envelopes.	5.80
29	Donation to Pei Hwa High School.	100.00
30	Received reimbursement to restore the petty cash balance to RM 280.	?

Note:

1. Analysis columns required: **Stationery, Refreshment, Office Expenses, Motor Expenses and Ledger Accounts.**
2. The company uses a numbering system for all petty cash vouchers, starting from Voucher No. 388.
3. Folio is required.

You are required to:

- (a) draw up a Petty Cash Book for September 2025, including the reimbursement on 1 September 2025. Balance the book on 30 September 2025 and show the reimbursement on 1 October 2025. (14%)
- (b) post the entries relating to Cash Book (Bank Column only) in the General Ledger. (2%)

B. NinjaTT Trading has prepared the Trial Balance as at 30 September 2025, but it did not tally.

Upon investigation, the following errors were discovered:

- (i) The owner of NinjaTT Trading had withdrawn goods of RM 800 for customer testing, but the transaction was incorrectly recorded as:
 - Debit – Drawings
 - Credit – Purchases

- (ii) The Purchase of an EPSON printer on 20 September 2025 was only recorded in Cash Book.

You are required to prepare:

- (c) a General Journal entries to correct the above errors. (*Narration are not required*) (4%)

Question 2

Men Group was incorporated with an authorized capital of 5,000,000 shares divided into 4,000,000 Ordinary Shares of RM 2.50 each and the remaining for 8% Preferred Shares at par value RM 1.50 each.

The Trial Balance of Men Group as at 31 December 2025 was appeared as follows:

	Debit (RM)	Credit (RM)
Ordinary Share of RM 2.50 each, issued and fully paid		2,500,000
8% Preferred Shares of RM 1.50 each, issued and fully paid		1,500,000
Interim Dividend paid - Ordinary Shares	50,000	
Dividend paid in full – 8% Preferred Shares	??	
5% Loan Notes		500,000
Retained Profits, 1 January 2025		80,900
General Reserves, 1 January 2025		65,000
Goodwill	1,140,000	
Inventory, 1 January 2025	90,500	
Wages for Packing Goods	28,000	
Transportation Expenses	34,000	
Account Receivable and Account Payable	105,000	77,000
Rental Expenses and Income	15,800	3,400
Wages and Salaries	143,200	
Sales and Purchases	1,200,900	2,490,000
Purchases Returns and Sales Returns	8,500	4,600
Maintenance Expenses	18,750	
General Expenses	56,000	
Freehold Property	2,500,000	
Loan Notes Interest	20,000	
Motor Vehicles	1,240,000	
Accumulated Depreciation on Motor Vehicles		310,000
Cash	145,600	
Bank	180,400	

Allowances for Doubtful Debts		5,750
Directors' Remuneration	200,000	
Selling and Distribution Expenses	240,000	
	7,536,650	7,536,650

Notes:

- (1) Closing Inventory at 31 December 2025 was valued at RM 126,000.
- (2) A debt of RM 3,500, previously written off in the last accounting year, was recovered on 1 July 2025, but no entry had been recorded in the books.
- (3) Write off RM 8,000 as irrecoverable debts.
- (4) An Allowances for Doubtful Debts is to be maintained at 5% of the remaining Account Receivable.
- (5) On 1 September 2025, Men Group purchased a sole trader business at an agreed purchase consideration of RM 150,000. The purchases consideration was discharged by issuing 50,000 ordinary shares at a premium. This transaction has no yet been recorded in the books.

The assets taken over were as follows:

	RM
Motor Vehicles	84,000
Office Equipment	18,000
Goodwill	?

- (6) Depreciation on Property is to be charged at 0.5% on cost for the year 2025.
- (7) Depreciation on Motor Vehicles and Office Equipment is to be charged at 5% per annum on cost.
- (8) Accrued Selling and Distribution Expenses amounted to RM 15,000, while Prepaid Rental Expenses amounted to RM 3,000.
- (9) Loan Notes Interest still outstanding.
- (10) The board of directors recommended the following:
 - Transfer General Reserves to RM 100,000.
 - Creation a Revenue Reverses of RM 20,000.

You are required to prepare:

- (a) Income Statement for the year ended 31 December 2025. (12.5%)
- (b) Statement Of Changes In Equity for the year ended 31 December 2025. (5.5%)
- (c) Based on the above information, calculate the number of shares issued by Men Group up to 31 December 2025:
 - Ordinary Shares (1%)
 - 8% Preferred Shares (1%)

Question 3

KA, WA and YI are in partnership sharing profits and losses in the ratio of 5: 2: 3 respectively. The Statement of Financial Position of the partnership as at 31 December 2024 is as follows:

KAWAYI Partnership			
Statement Of Financial Position			
As At 31 December 2024			
	RM		RM
Motor Vehicles	67,000	Capital – KA	40,000
Furniture	10,800	– WA	10,000
Office Equipment	3,400	– YI	20,000
Goodwill	10,000	Current – KA	6,990
		– WA	(1,340)
Inventory	1,980	– YI	1,270
Account Receivable	6,800	Bank Loan	18,000
Less: Allowances for Doubtful Debts	(100)	Account Payable	5,800
Cash in Hand	2,340	Bank Overdraft	1,500
	<u>102,220</u>		<u>102,220</u>

On 1 January 2025, WA decided to retire from the partnership, while NIE was admitted into the partnership. The partners agreed to the following terms:

- (1) Goodwill was valued at RM 15,000.
- (2) Motor Vehicles and Furniture were to be depreciated by 10% and 5% respectively.
- (3) Allowances for Doubtful Debts of RM 500 was to be created.
- (4) Inventory was revaluated at RM 2,310.
- (5) Bad debts of 5% were to be written off on the Account Receivable balance.
- (6) All partners' Current Accounts were to be closed and transferred to Capital Account.
- (7) Office Equipment were taken over by WA at book value.
- (8) WA was received cheque for RM 3,000 from partnership, and the balance due to him was treated as a loan to the partnership, carrying 4% interest per annum.
- (9) NIE was introduced Motor Vehicles RM 28,500, Inventory RM 3,545, and Cash at Bank RM 5,000 as his capital.
- (10) The new profits and losses sharing ratio of KA, YI and NIE were 2: 1: 1.

You are require to prepare the following items in the books of KYN partnership:

- | | | |
|-----|---|--------|
| (a) | Goodwill Account. | (2.5%) |
| (b) | Revaluation Account. | (4%) |
| (c) | Capital Account in columnar form. | (7.5%) |
| (d) | Statement Of Financial Position as at 1 January 2025. | (6%) |

Section B: Elective Questions (20%)

Attempt one questions in this section.

Question 4

Goh and Sem entered into a joint venture to sell moon cakes at Watex Shopping Mall. Profits and losses are to be shared in the ratio of 2: 1 respectively. A sales commission of 5% is allowed to both venturers on sales effected by them.

The following transactions occurred during September 2025:

2025

- Sep 1 Goh paid stall rental for RM 500.
- 2 Sem purchased 1,400 moon cakes at cost of RM 4,200.
- 3 Goh brought in a Furniture for the business at cost RM 800.
- 4 Sem paid packing expenses of RM 1 for every 4 pieces, and delivery fees of RM 280.
- 5 150 pieces of moon cakes had been sold for RM 1,500 by Goh and cheque had been collected.
- 7 300 pieces of moon cakes had been sold on credit for RM 3,300 by Sem.
- 9 Hao Yun Lai Café bought 80 pieces of moon cakes on credit from Goh at a selling price RM 12 per piece.
- 10 Hao Yun Lai reported 4 spoiled moon cakes, thus Goh replaces them immediately.
- 15 Hao Yun Lai settled the outstanding balance in full after deducting a 5% cash discount. The discount allowed is to be charged against the profit on joint venture.
- 16 Sem collected three-quarters of debts from credit customers by cheque, the balance was written off as irrecoverable.
- 19 Goh remitted a cheque of RM 2,000 to Sem towards purchases on 2 September.
- 20 Cash sales 500 moon cakes made by Goh at RM 5,400, while Sem sold 300 moon cakes at valued of RM 3,500.

The following expenses were incurred during cash sales:

Selling Expenses RM 460 (paid by Goh)

Distribution Expenses RM 330 (paid by Sem)

- 25 Furniture was taken back by Goh at cost, less 5% depreciation.
- 30 The venture concluded, unsold stock was taken over by Goh and Sem.
- 42 pieces of moon cakes were taken over by Goh at cost for business use.
 - The remaining moon cakes were taken over by Sem at cost for private use.
- 30 Goh and Sem agreed to settle the debts between them by online transfer.

You are required to prepare:

- (a) Joint Venture with Sem Account in the ledger of Goh. (6%)
- (b) Joint Venture with Goh Account in the ledger of Sem. (5.5%)
- (c) Memorandum Joint Venture Account. (8.5%)

Question 5

Jessie running her owns business with two separate departments: Japanese Snack and Korea Snack.
The following balances were extracted from her books at 31 December 2024:

	Japanese Snack Department RM	Korea Snack Department RM	Total RM
Sales	124,000	68,000	192,000
Purchases	54,000	18,000	72,000
Inventory, 1 January 2025	5,600	2,800	8,400
Freight Inwards	2,100	1,100	3,200
Transportation Expenses			2,400
Commission Income			3,000
Discount Allowed			400
Wages and Salaries			20,400
Rental Expenses			5,600
Insurance Expenses			2,200
Heat and Lighting			840
Advertising Expenses			1,000
Equipment			25,000
Motor Car			60,000
Accumulated Depreciation			
- Equipment			9,000
- Motor Car			12,000
Account Receivable			24,000
Allowances for Doubtful Debts			1,120
Goodwill			26,700

Additional information:

- (a) All goods are sold at margin 70%.
- (b) During the year, Japanese Snack Department transferred goods valued at RM 2,000 to the Korea Snack Department.
- (c) Transportation Expenses is to be apportioned between two departments in proportion to their Net Sales.
- (d) Rental expense includes a prepayment of RM 900.
- (e) Commission Income, which had been outstanding, amounted to RM 1,200.
- (f) The number of salesmen employed by the Japanese Snack Department and Korea Snack Department in the ratio 2: 1 respectively. This ratio is to be used for apportioning both commission (income and expenses) and wages and salaries.
- (g) Rental, Insurance and Heat and Lighting are to be apportioned according to the floor space occupied. The Japanese Snack Department occupies three-quarters more space than the Korea Snack Department.
- (h) Depreciation is to be provided annually as follows:

Equipment	8 years useful life, with a residual value at RM 1,000
Motor Car	10% on net book value
- (i) Allowance for Doubtful Debts is to be created at 8% of Account Receivable.
- (j) All other expenses (including depreciation and allowances for doubtful debts) are to be apportioned between departments in the ratio of 3/5 to the Japanese Snack Department and 2/5 to the Korea Snack Department.

You are required to prepare:

- (a) a Departmental Income Statement for the year ended 31 December 2024. (18%)
- (b) a Statement Of Financial Position (Current Assets only) as at 31 December 2024. (2%)

Note:

- 1. You are required to find out the closing inventory.
- 2. "Total" column is not required.
- 3. Working must be shown.

Question 6

On 1 March 2025, Mei Hua Enterprise of Thailand consigned 500 cases of facial product at cost RM 40,000 to her agent, Ming Hui in Penang, Malaysia. On the same day, the company paid freight and insurance RM 1,800 and custom duties RM 520.

On 15 March 2025, Ming Hui was reported that 20 cases of facial product were lost in transit. The insurance company had agreed to pay in full at cost price.

The cases were received by Ming Hui on 12 March 2025, and paid the following expenses:

Handling and Warehouse Charges	RM 820
Carriage Outwards	RM 2,100
Import duty as RM 5 per case	?
Selling Expenses	RM 1,150

On 20 June 2025, Ming Hui sold 230 cases to her customers on credit at RM 220 each case, and also cash sales 180 cases at RM 205 per case.

The agreement arranged for Ming Hui to receive a commission of 8% on total sale plus an additional 5% del credere commission on credit sales. On 1 July 2025, Mei Hua Enterprise drew a bills of exchange on Ming Hui at amount of RM 20,000 at 2 months from sight.

On 4 July 2025, Mei Hua Enterprise discounted the bill at his bank, and received the amount of the bill less RM 300 discounting charges. The discounting charges were to be set off against the profit on consignment. The bill was met on maturity.

Additional information:

- One of the consignee's customers defaulted on payment and debt of RM 2,300 was written off.
- A cash discount of RM 450 was allowed to customer, to be charged against profit on consignment.
- The balance due from other account receivable was received by cheque.

Mei Hua Enterprise closed its books on 31 December 2025. On that date, an Account Sales statement covering the above transactions was received from Ming Hui, together with an attached cheque.

You are required to prepare the following accounts as at 31 December 2025, and balance off each account accordingly.

(a) In the ledger of consignor:

- | | | |
|-------|------------------------------|--------|
| (i) | Consignment account | (8%) |
| (ii) | Consignee account – Ming Hui | (5.5%) |
| (iii) | Bill Receivable | (1.5%) |

(b) In the ledger of consignee:

- | | | |
|------|--------------------------------|--------|
| (i) | Consignment Account Receivable | (2%) |
| (ii) | Commission Income | (1.5%) |

(c) Prepare a flow chart to illustrate the consignment process, showing the movement of goods consigned, the sale of goods, and the remittance of proceeds to the consignor. (1.5%)