

## Paper 1 - answer

- |       |       |
|-------|-------|
| 1. B  | 11. C |
| 2. D  | 12. B |
| 3. B  | 13. B |
| 4. D  | 14. C |
| 5. A  | 15. D |
| 6. B  | 16. C |
| 7. A  | 17. A |
| 8. D  | 18. B |
| 9. C  | 19. D |
| 10. C | 20. A |

## Workings:

W1. Purchases =  $\text{RM}(82,300 - 3,400) = \text{RM}78,900$

W2. Depreciation of Office Equipment =  $\text{RM}(15,900 - 900) / 5 \text{ years}$   
=  $\text{RM}3,000$

W3. Accumulated Depreciation of Office Equipment =  $\text{RM}3,000$

W4. Bank =  $\text{RM}(25,100 - 60) = \text{RM}25,040$

W5. Bank Charges =  $\text{RM}60$

W6. Allowance for Doubtful Debts =  $\text{RM}500$

W7. Insurance expenses =  $\text{RM}2,400 \times 12/15 = \text{RM}1,920$

W8. Prepaid Insurance expenses =  $\text{RM}2,400 \times 3/15 = \text{RM}480$

W9. Interest on Capital:

- Daniel =  $\text{RM}60,000 \times 10\% = \text{RM}6,000$

- Dennis =  $\text{RM}40,000 \times 10\% = \text{RM}4,000$

- Derrick =  $\text{RM}20,000 \times 10\% = \text{RM}2,000$

W10. Interest on Drawings:

- Daniel =  $\text{RM}9,800 \times 8\% = \text{RM}784$

- Dennis =  $\text{RM}3,400 \times 8\% = \text{RM}272$

- Derrick =  $\text{RM}13,000 \times 8\% = \text{RM}1,040$

W11. Partners' Salaries - Dennis =  $\text{RM}1,500 \times 7 \text{ months} = \text{RM}10,500$

W12. Interest on loan notes =  $\text{RM}20,000 \times 10\% \times 6/12 = \text{RM}1,000$

W13. Accrued interest on loan notes =  $\text{RM}1,000$

3D Partnership  
Income Statement  
For the year ended 31 December 2021

			RM	RM	RM
Sales					122,220
Less: Returns inwards					(1,500)
Net Sales					<u>120,720</u>
Less: <b><u>Cost of sales</u></b>					
Opening Inventory				4,000	
Purchases			78,900		
Less: Returns Outwards			(5,000)		
Net Purchases			<u>73,900</u>		
Carriage on purchases			<u>1,500</u>		
Cost of Purchases				<u>75,400</u>	
Cost of goods available for sales				<u>79,400</u>	
Less: Closing Inventory				<u>(10,000)</u>	<u>(69,400)</u>
Gross Profit					<u><u>51,320</u></u>

Trading  
Account

W1

3D Partnership  
Income Statement  
For the year ended 31 December 2021

	RM	RM	RM
Gross Profit			51,320
<b><u>Other Incomes</u></b>			
Interest on fixed deposit			510
			<u>51,830</u>
<b>Less: <u>Expenses</u></b>			
Depreciation of Office Equipmen	W2	3,000	
Bank Charges	W5	60	
Insurance expenses	W7	1,920	
Interest on loan notes	W12	1,000	
Allowance for Doubtful Debts	W6	500	
Rental Expenses		16,000	
Bad Debts		410	
Discounts Allowed		<u>1,180</u>	<u>(24,070)</u>
Net Profit			<u><u>27,760</u></u>

Profit and Loss  
Account

3D Partnership  
Income Statement  
For the year ended 31 December 2021

	RM	RM	RM
Net Profit			27,760
<b><u>Interest on Drawings</u> W10</b>			
- Daniel		784	
- Dennis		272	
- Derrick		1,040	2,096
			<u>29,856</u>
Less: <b><u>Appropriations</u></b>			
Interest on Capital W9			
- Daniel	6,000		
- Dennis	4,000		
- Derrick	2,000	12,000	
Partners' Salaries W11			
- Dennis		10,500	(22,500)
			<u>7,356</u>
Balance of Profit Shared:			
- Daniel		3,678	
- Dennis		2,452	
- Derrick		1,226	<u>7,356</u>

Profit and Loss  
Appropriation  
Account



**3D Partnership**  
**Statement of Financial Position**  
**As at 31 December 2021**

		<b>Cost</b>	<b>Accumulated Depreciation</b>	<b>Carrying Amount</b>
		<b>RM</b>	<b>RM</b>	<b>RM</b>
<b><u>Non-current Assets</u></b>				
Office Equipment		15,900	(3,000)	12,900
Premises		70,000	-	70,000
		<u>85,900</u>	<u>(3,000)</u>	82,900
Investment (unquoted)				13,000
<b><u>Current Assets</u></b>				
Closing Inventory			10,000	
Accounts Receivable		7,400		
Less: Allowance for doubtful debts	W5	<u>(500)</u>	6,900	
Prepaid Insurance	W8		480	
Fixed Deposit			10,000	
Bank	W4		<u>25,040</u>	52,420
<b>Total Assets</b>				<b><u>148,320</u></b>

**3D Partnership**  
**Statement of Financial Position**  
**As at 31 December 2021**

<b><u>Owners' Equity</u></b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Capital: - Daniel			60,000
- Dennis			40,000
- Derrick			20,000
Current: - Daniel		(1,536)	
- Dennis		14,030	
- Derrick		(9,814)	2,680
<b>Total Equity</b>			<b>122,680</b>
 <b><u>Non-current Liabilities</u></b>			
10% Loan Notes		20,000	
 <b><u>Current Liabilities</u></b>			
Accounts Payable	4,640		
Accrued Loan notes interest   W13	1,000	5,640	
<b>Total Liabilities</b>			<b>25,640</b>
<b>Total Equity and Liabilities</b>			<b>148,320</b>



In the books of Seller:

General Ledger

Realisation

2022	RM	2022	RM
Sept 1 Land and Building	100,000	Sept 1 Buyer - Hui Xin and Yu Xin	182,000
1 Fixtures and Fittings	20,000	1 Accounts Payable	
1 Motor Vehicles	18,620	- Discounts Received	600
1 Inventory	28,320		
1 Trade Receivables	12,000		
1 Hire Purchase Vendor			
- termination charges	1,200		
1 Capital: Dissolution expenses			
- Liu Ting	480		
1 Capital: Profit on realization			
- Xiao Zhie	990		
- Jun Teng	660		
- Liu Ting	330		
	<u>182,600</u>		<u>182,600</u>

# Capital

	Xiao Zhie RM	Jun Teng RM	Liu Ting RM		Xiao Zhie RM	Jun Teng RM	Liu Ting RM
2022				2022			
Sept 1 Current	280			Sept 1 <u>Balance</u> b/d	60,000	40,000	20,000
1 Bank	60,710	41,160	21,030	1 Current		500	220
				1 Realisation:			
				- dissolution expenses			480
				- profit on realization	990	660	330
	60,990	41,160	21,030		60,990	41,160	21,030

# Bank

2022	RM	2022	RM
Sept 1 Buyer - Hui Xin and Yu Xin	182,000	Sept 1 Balance b/d	3,500
		1 Accounts Payable	19,400
		1 Hire Purchase Vendor	36,200
		1 Capital: Xiao Zhie	60,710
		Jun Teng	41,160
		Liu Ting	21,030
	<u>182,000</u>		<u>182,000</u>

Workings:

W1. Application money received = 300,000 units X RM0.15 = RM45,000

W2. Shares Allotted: Application and Allotment  
= RM0.30 (Application RM0.15 + Allotment RM0.15) X 150,000 units  
= RM45,000

W3. Share Premium = RM0.30 X 150,000 units = RM45,000

W4. Balance of allotment money received  
= (RM0.45 X 100,000 units) + [(RM0.45 X 50,000) - (RM0.15 X 50,000)]  
= RM45,000 + RM15,000  
= RM60,000

W5. Shares Allotted: First Call = RM0.60 X 150,000 units  
= RM90,000

W6. Called money received = RM0.60 X 150,000 units = RM90,000

W7. Shares Allotted: Second and Final Call = RM0.30 X 150,000 units  
= RM45,000

W8. Final Called money received = RM0.30 X 150,000 units = RM45,000

General Journal			
Date	Particulars	Debit	Credit
2022		RM	RM
Apr 1	Bank <span style="float:right">W1</span> Application and Allotment (Being applications money received)	45,000	45,000
May 1	Application and Allotment Ordinary Share Capital <span style="float:right">W2</span> Share Premium <span style="float:right">W3</span> (Being shares allotted)	90,000	45,000 45,000
1	Application and Allotment Bank – refunded (Being unsuccessful applicants’ money refunded)	15,000	15,000
15	Bank <span style="float:right">W4</span> Application and Allotment (Being balance of allotment money received)	60,000	60,000
Jun 1	First Call Ordinary Share Capital <span style="float:right">W5</span> (Being Shares allotted)	90,000	90,000
1	Bank <span style="float:right">W6</span> First Call (Being first called money received)	90,000	90,000
Q: 1, D W GJ L SO			

General Journal			
Date	Particulars	Debit	Credit
2022		RM	RM
Jul 1	Second and Final Call Ordinary Share Capital (Being shares allotted)	45,000	45,000
1	Bank Second and Final Call (Being final called money received)	45,000	45,000
<div> <div>Yi Jing Bhd</div> <div>Statement of Financial Position (Extract)</div> <div>As at 1 July 2022</div> </div>			
<b><u>Current Assets</u></b>			RM
Bank			525,000
<b><u>Equity</u></b>			
Ordinary Share Capital (400,000 units @ RM1,20 each)			480,000
Share Premium			45,000
Total Equity			525,000

Shares Applied	Shares Allotted	Application money received		Application and Allotment money required for		Allotment money Receivable	Refunded
		RM	RM	RM	RM	RM	RM
100,000	Full = 100,000	100,000 X 0.15 =	15,000	100,000 X 0.60 =	60,000	45,000	
100,000	1:2 = 50,000	100,000 X 0.15 =	15,000	50,000 X 0.60 =	30,000	15,000	-
100,000	- = 0	100,000 X 0.15 =	15,000	- =	0	-	15,000
300,000	150,000	45,000				60,000	15,000



Application  
money  
received



Unsuccessful  
Applicants  
money  
refunded

# General Ledger

## Application and Allotment

2022		RM	2022		RM
May 1 Ordinary share capital	W2	45,000	Apr 1 Bank - Application		45,000
1 Share Premium	W3	45,000	May 15 Bank – Allotment	W4	60,000
1 Bank - refunded		15,000			
		<u>105,000</u>			<u>105,000</u>

## First Call

2022		RM	2022		RM
Jun 1 Ordinary share capital	W5	<u>90,000</u>	Jun 1 Bank	W6	<u>90,000</u>

## Bank

2022		RM	2022		RM
Apr 1 Application and Allotment	W1	45,000	May 1 Application and Allotment		15,000
May 15 Application and allotment	W4	60,000	Jul 1 Balance c/d		225,000
Jun 1 First Call	W6	90,000			
Jul 1 Second and Final Call	W8	45,000			
		<u>240,000</u>			<u>240,000</u>
Jul 1 Balance b/d		225,000			



## Ordinary Share Capital (Equity)

2022	RM	2022	RM
Jul 1 Balance c/d	480,000	May 1 Balance b/d	300,000
		1 Application and Allotment	45,000
		Jun 1 First Call	90,000
		Jul 1 Second and Final Call	45,000
	<u>480,000</u>		<u>480,000</u>
		Jul 1 Balance b/d	480,000

## Share Premium (Equity)

2022	RM	2022	RM
Jul 1 Balance c/d	<u>45,000</u>	May 1 Application and Allotment	<u>45,000</u>
		Jul 1 Balance b/d	45,000

## Second and Final Call

2022	RM	2022	RM
Jul 1 Ordinary Share Capital	<u>45,000</u>	Jul 1 Bank	<u>45,000</u>

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# Freddrick and Luo Qi Memorandum Joint Venture

	RM		RM
Purchases - Luo Qi	500	Sales - Luo Qi	800
- Fredrick	1,000	- Fredrick	1,400
Motor Van Charges - Luo Qi	200	Discounts Received - Luo Qi	20
Rental Expenses - Fredrick	100	Inventory taken over - Fredrick	25
Insurance - Luo Qi	90		
Discounts Allowed - Luo Qi	28		
Profit on Joint Venture:			
- Luo Qi	218		
- Fredrick	109		
	<u>2,245</u>		<u>2,245</u>

Q: [1](#), [2](#) [S](#) [G](#) [M](#) [W](#)

### Workings:

W1. Purchases (Aug 1) = 100 units X RM5 = RM500

W2. Purchases (Aug 7) = 200 units X RM5 = RM1,000

W3. Discounts Allowed = RM560 X 5% = RM28

W4. Discounts Received = RM500 X 4% = RM20

W5. Sales (Aug 16) = 400 units X RM18 = RM7,200

W6. Insurance Claim = 30 units X RM8 = RM240

W7. Sales (Aug 10) = (3,600 units X 80%) X RM50 = RM144,000

W8. Inventory taken over - Freddrick = 5 units X RM5 = RM25

W9. Sales - Luo Qi = RM(560 + 240) = RM800

W10. Sales - Freddrick = RM(800 + 600) = RM1,400

### Workings:

W1. Cash Sales (Feb 10) = 100 cases X RM100 = RM10,000

W2. Credit Sales (Mar 18) = 50 cases X RM120 = RM6,000

W3. Credit Sales (30 Jun) = 80 cases X RM110 = RM8,800

W4. Cash Sales (30 Sept) = 120 cases X RM95 = RM11,400

W5. Sales Commission = RM36,200 X 5% = RM1,810

W6. Del Credere Commission = RM14,800 X 2% = RM296

W7. Discounts Allowed = RM(14,800 - 14,500) = RM300

W8. Unsold Inventory = (Cost of goods consigned + Related Expenses) X unsold unit /  
goods consigned  
= RM(40,000 + 500 + 300 + 350 + 280) X 150 cases / 500 cases  
= RM12,429

In the books of consignor (Ming Hang Trading):

Treated as Expenses		Consignment	Treated as incomes		
2022		RM	2022	RM	
Jan 1	Goods sent on consignment	40,000	Feb 10	Consignee: Jing Yuan	
1	Bank - Delivery Charges	500		- Cash Sales	10,000
	- Insurance expenses	300	Mar 18	Consignee: Jing Yuan	
5	Consignee: Jing Yuan			- Credit Sales	6,000
	- Packing expenses	280	Jun 30	Consignee: Jing Yuan	
	- Warehouse charges	350		- Credit Sales	8,800
Dec 31	Consignee: Jing Yuan		Sept 30	Consignee: Jing Yuan	
	- Selling and distribution cost	1,000		- Cash Sales	11,400
	- Advertising expenses	800	Dec 31	Unsold Inventory	12,429
	- Carriage	500			
	- Sales Commission	1,810			
	- Del Credere Commission	296			
	- Discounts Allowed	300			
31	Profit and Loss:				
	- Profit on consignment	2,493			
		<u>48,629</u>			<u>48,629</u>
2023					
Jan 1	Unsold Inventory b/d	12,429	Q: 1, 2, A: 1, 2, 3 W		

# Consignee: Jing Yuan

2022	RM	2022	RM
Feb 10 Consignment - Cash Sales	10,000	Jan 5 Consignment:	
Mar 18 Consignment - Credit Sales	6,000	- Packing Expenses	280
Jun 30 Consignment - Credit Sales	8,800	- Warehouse charges	350
Sept 30 Consignment - Cash Sales	11,400	Dec 31 Consignment:	
		- Selling and Distribution	1,000
		- Advertising expenses	800
		- Carriage	500
		- Sales Commission	1,810
		- Del Credere Commission	296
		- Discounts Allowed	300
		31 Bank	30,864
	<u>36,200</u>		<u>36,200</u>



Workings:

W1. Sport Equipment = RM(7,800 + 4,000 - 10,000) = RM1,800

W2. Bank = RM(27,000 + 46,200 receipts - 15,210 ) = RM57,990

W3. General Expenses			
2022	RM	2021	RM
Aug 31 Bank	1,880	Sept 1 Balance b/d	50
Aug 31 Balance c/d	120	2022	
		Aug 31 Income and Expenditure	1,950
	<u>2,000</u>		<u>2,000</u>
		Sept 1 Balance b/d	120

W4. Repairs to Club House			
2022	RM	2022	RM
Aug 31 Bank	1,350	Aug 31 Income and Expenditure	1,850
31 Balance c/d	500		
	<u>1,850</u>		<u>1,850</u>
		Sept 1 Balance b/d	500

W5. Stationery Expenses			
2021	RM	2022	RM
Sept 1 Balance b/d	80	Aug 31 Income and Expenditure	520
2022		31 Balance c/d	100
Aug 31 Bank	540		
	<u>620</u>		<u>620</u>

Workings:

W6. Prepaid Insurance =  $RM220 \times \frac{3}{12} = RM60$

W7. Insurance Expenses =  $RM(240 - 60) = RM180$

W8. Interest on fixed deposit =  $RM5,000 \times 5\% = RM250$

Subscriptions			
2021	RM	2021	RM
Sept 1 Balance b/d	1,000	Sept 1 Balance b/d	200
2022		2022	
Aug 31 Income and Expenditure	12,400	Aug 31 Bank	13,500
31 Balance c/d	300		
	<u>13,700</u>		<u>13,700</u>
		Sept 1 Balance b/d	300

Yu Yun Sport Club  
Restaurant Trading Account  
For the year ended 31 August 2022

	RM	RM	RM
Takings			20,000
Less: <b><u>Cost of Sales</u></b>			
Opening Inventory		800	
Purchases		5,800	
		<u>6,600</u>	
Less: Closing Inventory		(350)	(6,250)
Profit on Restaurant			<u><u>13,750</u></u>

Yu Yun Sport Club  
Income and Expenditure Account  
For the year ended 31 August 2022

<b><u>Income</u></b>		RM	RM
Profit on Restaurant			13,750
Interest on Fixed Deposit	W8		250
Subscriptions			12,400
Tennis Competition registration fees		1,600	
Less: Tennis competition expenses		(770)	
Profit on Tennis competition			830
Locker rental			5,300
			<u>32,530</u>
Less: <b><u>Expenditure</u></b>			
Depreciation of sport equipment	W1	1,800	
General Expenses	W3	1,950	
Repairs of club house	W4	1,850	
Stationery expenses	W5	520	
Insurance expenses	W7	180	
Newspaper and Magazine		630	(6,930)
Surplus			<u><u>25,600</u></u>