

THE UNIFIED TRIAL EXAMINATION (2022)  
PAY FONG MIDDLE SCHOOL  
MALACCA

*Senior Middle Level*

**BOOKKEEPING  
(SE15)**

**PAPER 2    SUBJECTIVE QUESTIONS**

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Date: 12 October 2022

Time: 8.35 a.m. — 11.35 a.m.

(3 hours)

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**INSTRUCTIONS 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 four questions altogether.
3. **Workings must be shown.**
4. Do not copy the questions, but the answer to each question should be clearly numbered.
5. Use only **blue** or **black** ink for writing.
6. Electronic calculators may be used for calculation.
7. Before attempting the questions, fill in your index number on the **marking-sheet**  
(computer card) and blacken the corresponding letters/numbers with a **5B** pencil. After  
answering all the questions, blacken the numbers of the questions you have chosen in  
the **question number** column and also indicate the total number of questions answered.
8. Arrange the answer scripts in numerical order with the provided **marking-sheet**  
(computer card) on top and tie them together.
9. Paper 2 consists of seven printed pages.

<b>DO NOT TURN OVER THIS PAGE UNTIL YOU ARE TOLD TO DO SO</b>
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(Name of Candidate: \_\_\_\_\_)

Index number: \_\_\_\_\_)

*Prepared by: Wai Siew Chuan, Wong Ne Ree*

*Proof read by: Yu Mei Chuen*

Section A: Compulsory Questions (60%)

Attempt all the questions in this section.

1. (a) Ong and Lim were in partnership retail merchants sharing profits and losses in the ratio of 3:2. The partnership agreement was as follows:
- (I) Interest of 5% per annum was allowed on capital.
  - (II) Interest of 4% per annum was charged on partners' drawings.
  - (III) Interest of 3% per annum was allowed on loan from partner.
  - (IV) Lim was allowed salaried of RM 3,000 per month.
  - (V) Ong was granted a bonus of RM 2,000 per annum for his competence.

Additional information:

- (1) Capital Accounts, 1 January 2021: Ong RM 50,000  
Lim RM 30,000
- (2) Current Accounts, 1 January 2021: Ong RM 5,000  
Lim RM 3,500 (Dr)
- (3) Drawings during the year 2021:

Date	Ong	Lim
1 January	RM 5,000	
1 July	RM 1,000	RM 5,000
31 December		RM 1,000
- (4) Ong made a loan to the business on 1 January 2021 for RM 20,000. The loan interest was still outstanding.
- (5) The profit for the year ended 31 December 2021 before accounting for the above items was RM 84,600.

During the year, RM 30,000 as part of the partner's salary was paid to Lim by cheque.

On 31 December 2021, by mutual agreement, Lim increased his capital by transferring a RM 5,000 from his current account to his capital account.

You are required to prepare:

- (i) A Profit And Loss Appropriation Account for the year ended 31 December 2021; (4.5%)
- (ii) Partners' Current Account in columnar form; (7%)

- (b) Sam and Chai went into partnership as wholesale merchants sharing profits and losses in the ratio of 3 : 2. The following balances were extracted from the books on 31 December 2021:

	RM
Capital Accounts: Sam	50,000
Chai	35,000
Current Accounts: Sam	29,332
Chai	Dr 9,768
Inventory, 31 December 2021	5,354
Premises	90,000
Motor Vehicles	15,000
Accounts Receivable	3,809
Accounts Payable	2,599
Bank	Cr 7,000

Both of the partner decided to retire and agreed to dissolve the partnership on 31 December 2021. The assets and liabilities were settled as follows:

- (i) The motor vehicle was taken over by Sam at an agreed valuation of RM13,000.
- (ii) The rest of the assets(except bank) were sold to ABC Company at an agreed price of RM 100,000 and the proceed was banked.
- (iii) Settled debts with creditors and received discounts RM 98.

You are required to prepare:

- (i) Realisation; (3.5%)
- (ii) Capital (in columnar form); (3.5%)
- (iii) Bank. (1.5%)

Four Season Ltd. Statement of Financial Position As at 31 December 2021			Shi and Ying Partnership Statement of Financial Position as at 31 December 2021		
	RM	RM		RM	RM
<u>Non-Current Assets</u>			<u>Non-Current Assets</u>		
Building		185,500	Building	30,000	
			Motor Vehicles	15,000	
<u>Current Assets</u>			Fixture And Fittings	5,000	50,000
Inventory	52,000		<u>Current Assets</u>		
Accounts Receivables	67,000		Inventory	2,000	
Cash at bank	<u>11,500</u>	130,500	Accounts Receivable	6,300	
		<u>316,000</u>	Bank	<u>4,700</u>	<u>13,000</u>
<u>Equity</u>					<u>63,000</u>
Issued and paid up share capital			<u>Capital Account</u>		
150,000 Ordinary Shares of RM 1 each		150,000	- Shi	30,000	
Share Premium	30,000		- Ying	20,000	50,000
General Reserve	30,000		<u>Current Account</u>		
Retained Profit	<u>20,000</u>	80,000	- Shi	3,000	
Shareholders' Fund		230,000	- Ying	<u>2,000</u>	5,000
<u>Current Liabilities</u>			<u>Current Liabilities</u>		
Accounts Payable		36,000	Accounts Payable		<u>8,000</u>
		<u>316,000</u>			<u>63,000</u>

Four Season Ltd. agreed to acquire Shi and Ying Partnership, who sharing profit and losses in equal.

The terms of the offer, which have been agreed by the partners on 1 January 2022 were as follows:

- (i) Four Season Ltd. agreed to take over the assets (except the cash at bank) and to pay off the Accounts payable.
- (ii) Four Season Ltd. revalued the assets acquired from Shi and Ying as:  
Building RM38,000; Motor Vehicle decreased to RM12,000; Fixture And Fittings RM4,000; Inventory increased by RM500; Accounts Receivable at its carrying value.
- (iii) The purchase price of RM 60,000 was to be settled by issue of 40,000 new ordinary share in Four Season Ltd. at premium RM0.30 and the balance was paid by cheque.
- (iv) Dissolution cost amounted RM550 paid by Partner – Shi.
- (v) Immediately after completion of the business purchase, Four Season Ltd. revalued the total buildings to RM 250,000.

You are required to prepare:

- (a) Journal entries in the books of Four Season Ltd. (buyer) to record the business purchases. (13%)
- (b) Statement of Financial Position immediately after completion of the transactions. (7%)

3. The Bank Account for the month of May 2021 for Smart Company was as follows:

Cash Book(Bank Columns)

2021		RM	2021		Cheque No.	RM
May 1	Balance b/d	5,200	May 4	Duck Enterprise	316152	290
5	Rental Income	1,500	7	Purchases	316153	5,000
23	Kim Company	5,300	15	Huang Company	316154	500
29	Low Trading	1,260	26	Liow Clinic	316155	700
			31	Apply Office Supplies	315156	1,310
				Balance c/d		5,460
		<u>13,260</u>				<u>13,260</u>
June 1	Balance b/d	5,460				

Bank Statement

2021		Debit RM	Credit RM	Balance RM
May 1	Balance b/d			5,400
5	Deposit		1,500	6,900
	Cheque No.316151	200		6,700
9	Cheque No.316153	5,000		1,700
11	Cheque No.316152	209		1,491
15	Standing Order – HL Insurance	1,000		491
16	Cheque No.316154	500		-9
17	Cheque No.316154 - Returned		500	491
	Interest charge	3		488
20	Tesla Berhad - Dividend		800	1,288
25	Deposit		5,300	6,588
26	Interest on fixed deposit		1,350	7,938
	Stamp duties on cheque books	15		7,923
27	Credit Transfer – Yap Trading		8,500	16,423
29	Direct debit (Salaries)	5,000		11,423
	<b>Cheque No.123456</b>	<b>555</b>		10,868
31	Bank Loan		10,000	20,868

- Note:** ( 1 ) The cheque no. 123456 amounted to RM555 was wrongly debited by the bank.
- ( 2 ) The proprietor had make a replacement by cash on the returned cheque no.316154 amounted to RM500 issued to Huang Company.
- ( 3 ) Smart Company obtained a bank loan for RM10,000 at the rate of 4% per annum from the bank. The fund was banked directly into the current account on 31 May 2021.
- ( a ) You are required to:
- ( i ) bring the Cash Book up to date and carry down the balance as at 31 May 2021, taking into account the items not recorded in the Cash Book but appear in the Bank Statement; (11%)
- ( ii ) prepare Bank Reconciliation Statement as at 31 May 2021 starting with the adjusted Cash Book balance and state clearly whether each balance is a debit or a credit. (5%)
- ( b ) Deposited cheques returned by the bank for few reasons. Give any 3 reasons on dishonoured cheque. (3%)

### Section B: Elective Question (20%)

*Attempt any one of the three questions in this section.*

4. Seng Song Bhd is an electronics manufacturer. The following balances were extracted from the company's books as at 31 December 2021:

	RM
Inventory as at 1 January 2021: - Raw Materials	55,000
- Work-In-Progress (at prime cost)	62,500
- Finished Goods	32,000
- Factory Loose Tools	22,400
Finished Goods - Sales	2,800,000
- Return Inwards	20,500
- Purchases	50,000
Raw Materials - Purchases	1,420,000
- Returns Outwards	20,000
- Carriage Inwards	14,800
Manufacturing Wages	138,000
Royalties Received	24,200
Purchase of Factory Loose Tools	19,600
Repair and Maintenance Expenses	19,500
Water and Electricity	50,400
Insurance Expenses	24,000
Factory Supervisor Salaries	33,200
Sub-contractor Fees	10,000
8% Loan Notes	80,000
Carriage on Sales	13,000
Office Salaries	23,000
Factory Machinery (at cost RM132,000)	100,000
Office Equipment (at cost RM55,000)	45,400

Additional information:

- (1) Water and Electricity accrued as at 31 December 2021 were RM 17,600.
- (2) Unexpired insurance premium were RM8,000.
- (3) Non-current assets are to be depreciated using methods as below:  
    Factory Machinery - 10% per annum on cost  
    Office Equipment - 20% per annum on reducing balance method.
- (4) Repair and Maintenance Expenses, Water and Electricity, Insurance were to be apportioned in the ratio of:  
    Factory 60%; Office 40%
- (5) Finished goods were transferred to the Trading account at cost plus 10%.
- (6) Inventory as at 31 December 2021:

	RM
Raw Materials	58,000
Work-In-Progress (at prime cost)	47,300
Finished Goods	21,000
Factory Loose Tools	13,200

**You are required to prepare:**

- (a) Manufacturing Account for the year ended 31 December 2021. (16%)
- (b) Income Statement (Section Trading Account) for the year ended 31 December 2021. (4%)
- (Show clearly: Gross profit /(Loss) on trading and manufacturing profit).

5. The Receipts And Payments Account of the Golden Club for the year ended 31 December 2021 is set up below:

<u>Receipts</u>	RM	<u>Payments</u>	RM
Subscriptions: 2020	1,500	Payment For Cafeteria Supplies	21,000
2021	25,300	Wages of cafeteria staffs	12,000
2022	800	Annual dinner expenses	2,000
Locker Rental	1,250	Secretarial Expenses	6,000
Contribution for annual dinner	3,800	General Expenses	1,360
Life Membership Fees	5,000		
Cafeteria Takings	35,030		
Subsidy from Government	18,000		

The following information is relevant:

( i )

	1 Jan 2021 RM	31 Dec 2021 RM
Club House	60,000	60,000
Furniture and Fittings	15,000	?
Cafeteria Inventory	2,230	2,500
Subscription in advance	680	?
Subscription in arrears	1500	700
Cash at bank	12,360	?

- ( ii ) To depreciate the Furniture and Fittings at the rate of 10% per annum on cost;
- ( iii ) 10% of the life membership subscriptions was to be treated as a revenue item.
- ( iv ) The subsidy from government is to be treated as capital receipts in the year of receipt.

You are required to prepare:

( a ) Ledger accounts:

( i ) Subscriptions Account. ( 6% )

( b ) Financial reports:

( i ) Cafeteria Trading Account for the year ended 31 December 2021; ( 5% )

( ii ) Income And Expenditure Accounts for the year ended 31 December 2021. ( 9% )

6. Chan & Eason entered into a joint venture for purpose of buying and selling seasonal products. They agreed to divide profits and losses in the ratio of 3:1.

Sales commission was calculated at 5% of their respective total sales and was to be paid at the end of their joint venture business.

All the transactions of the venturers were paid through by their own bank account.

The following transactions related to joint venture took place during the two months:

2021	
Nov 1	Chan bought goods costing RM15,500 and sent RM10,000 of the goods to Eason for sale.
2	Chan paid carriage and warehouse charges for RM665.
5	Eason bought office furniture for business venture by cheque RM1,000.
18	Chan made sales of RM 5,400 on credit to Choo Trading.
26	Eason sold all the goods he received from Chan for RM14,500.
30	Eason remitted RM8,000 to Chan by cheque.
Dec 3	Eason supplied goods of cost RM2,900 from his own existing business.
15	Chan received a cheque from Choo Trading for the amount owing.
18	Eason sold goods of cost RM3,600 for RM9,800 and incurred selling expenses RM50.
25	Chan’s warehouse suffered a serious flood, as a result of all the remaining inventory was completely destroyed. Chan and Eason decided to end the joint venture.
28	Eason agreed to take over the office furniture which was depreciated by 20% on cost.
31	Commission and profit and losses were to be calculated and divided as agreed. The final settlement between the venturers made by cheque.

You are required to prepare:

- |   |        |
|---|--------|
| a. Joint Venture with Eason in the books of Chan; | (5.5%) |
| b. Joint Venture with Chan in the books of Eason; | (8.5%) |
| c. Memorandum Joint Venture;                      | (6%)   |