

Chung Ling (Private) High School

UEC Trial Examination 2022

Senior Middle 3 (S3CK/ CL / CT / CJ)

Bookkeeping

Paper 2: Subjective Questions

Time: 3 hours

INSTRUCTIONS TO CANDIDATES

1. This subject comprises 2 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 from the three questions (20%).
3. Begin each answer on a fresh page.
4. Do not copy the questions, but the answer to each question should be clearly numbered.
5. Workings must be shown.
6. Use only blue or black ink to write your answers.
7. Electronic calculator may be used for calculation.
8. Paper 2 consists of 8 printed pages.

<p>DO NOT TURN OVER THIS PAGE UNTIL YOU ARE TOLD TO DO SO</p>
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Name: _____ School No.: _____ Class: _____

Prepared & Approved by: Koid Khee Khim

Checked by: Lee Cheng Ai

Section A: Compulsory Questions (60%)

Attempt all the questions in this section.

1. Daniel, Dennis and Derrick were partners in 3D Partnership, and the following balances were taken from their books as at 31 December 2021:

	RM
Capital: Daniel	60,000
Dennis	40,000
Derrick	20,000
Current: Daniel	(630)
Dennis	750
Derrick	1,000
Drawings: Daniel (1 April 2021)	9,800
Derrick (30 June 2021)	13,000
Purchases	82,300
Sales	122,220
Returns Outwards	5,000
Returns Inwards	1,500
Inventory	4,000
Insurance Expenses	2,400
Cash at bank	25,100
Office Equipment	15,900
Premises	70,000
Accounts Receivable	7,400
Accounts Payable	4,640
Rental expenses	16,000
Bad Debts	410
Carriage on purchases	1,500
Discounts Allowed	1,180
Investment (Unquoted) at cost	13,000
Fixed Deposit	10,000
Interest on Fixed Deposit	510
10% Loan Notes (Issued on 30 June 2021)	20,000

Additional Information:

- Inventory on 31 December 2021 value at cost RM10,000; at market value RM12,080.
- Dennis drew inventory at cost RM3,400 (market value RM2,900) on 1 October 2021 for his personal use, this was not recorded in the books.
- Office Equipment was depreciated by using straight line method which the scrap value was RM900 after 5 years of usage.
- Bank charges of RM60 had been debited in Bank Statement for the month of December 2021, but it was no record in Cash Book.
- An amount of RM500 was estimated to be bad in the year of 2022.
- Insurance had been paid for 15 months until 31 March 2022.

vii. The partnership agreement stated that:

- * Interest on capital was 10% per annum.
- * Interest on drawings was 8%.
- * Dennis is entitle to a monthly salary of RM1,500 started from 1 June 2021.
- * Profit and losses are based on theirs initial capital.

You are required to prepare:

- a. Income Statement for the year ended 31 December 2021; (including appropriation section)
- b. Partners' Current Account;
- c. Statement of Financial Position as at 31 December 2021.

2. Xiao Zhie, Jun Teng and Liu Ting were in partnership sharing profit and losses in the ratio 3:2:1. Their assets and liabilities as at 31 August 2022 were as follow:

	Debit RM	Credit RM
Capital: Xiao Zhie		60,000
Jun Teng		40,000
Liu Ting		20,000
Current: Xiao Zhie	280	
Jun Teng		500
Liu Ting		220
Trade Payables and Trade Receivable	12,000	20,000
Hire Purchase Vendor		35,000
Land and Building	100,000	
Fixtures and Fitting	20,000	
Motor Vehicles	18,620	
Inventory	28,320	
Bank		3,500

On 1 September 2022, due to Xiao Zhie decided to retired from the partnership, thus they agreed to dissolve their business by selling it to Hui Xin and Yu Xin a newly form partnership at an agreed value of RM182,000.

Hui Xin and Yu Xin were contributed RM95,000 each as their initial capital into the business bank account, and later the purchase consideration would be discharged.

Additional information:

- I. All the assets would be taken over by Hui Xin and Yu Xin partnership at it written down value, except for bank account.
- II. All Liabilities would be discharged by seller with the following term and condition:
 - Account Payable paid in full with the amount of RM19,400
 - Hire Purchase Vendor agreed to receive a lump sum of RM36,200 as the termination of the hire purchase agreement.
- III. Dissolution expenses of RM480 paid by Liu Ting.
- IV. Immediately after completion of the business purchase, Hui Xin and Yu Xin revalued the Land and Building to RM200,000.

You are required to prepare the following accounts in the books of Seller:

- a. Realisation Account;
- b. Partners' Capital Account in columnar form;
- c. Bank Account.

3. Yi Jing Ltd was incorporated on 1 January 2019 and has an authorised capital of 500,000 Ordinary Shares of RM1.20 each. The issued share capital as at 31 December 2021 was RM300,000 which was issued at par and fully paid.

On 1 April 2022, the company decided to issue a further 150,000 ordinary shares at a price of RM1.50 per share, payable as follow:

	<u>Per cent on issued price</u>
April 1 Application	10%
May 1 Allotment (including premium)	30%
June 1 First Call	40%
July 1 balance on Second and Final Call	

Applications are received for 300,000 shares. RM15,000 returned to unsuccessful applicants at the allotment date.

Successful applicants were deal as follow:

- Full allotment for 100,000 applications;
- The remaining applications were based on 1 shares for every 2 shares applied for.
- The excess application monies are set off against the allotment monies asked for.
- The balance of allotment money was received on 15 May 2022.

The remaining requested instalments are all paid in full.

You are required to prepare:

- Journal Entries **OR** Ledger accounts to record the above transactions;
- Statement of Financial Position (Extract) as at 1 July 2022.

Section B: Elective Questions (20%)

Attempt any one of the three questions in this section.

4. Luo Qi and Freddrick enter into a joint venture dealing in selling chinese dumplings in Farlim Night Market for the whole month of Hungry Ghost Festival. Profit and losses were to be shared in the ratio 2:1, each party recorded the transactions in their own books.

The following joint venture transactions took place:

2022

- August 1 Luo Qi bought 100 chinese dumplings on credit from Melody for RM5 each.
2 Freddrick rented a store for RM100 per month.
3 Luo Qi use his own car for delivery purpose and charged the business RM200 of Motor Van Charges.
5 Luo Qi paid insurance for their store RM90.
7 Freddrick brought in 200 chinese dumplings of RM5 each from his existing business.
9 70 chinese dumplings had been sold at RM560 to Yan Jun Restaurant by Luo Qi.
10 Luo Qi was informed by Yan Jun Restaurant that, 10 chinese dumplings gone bad, thus he immediately replace 10 chinese dumplings to Yan Jun Restaurants.
12 Yan Jun Restaurant made full settlement on the amount owed after a 5% of cash discount had been provided.
14 Luo Qi made payment to Melody for the amount due after 4% of cash discount had been allowed.
16 Shawn bought 30 chinese dumplings for RM8 each by cash from Luo Qi.
19 Freddrick took 5 chinese dumplings at cost RM5 for his family members.
20 Cash sales made by Freddrick RM800 for 100 chinese dumplings.
25 Freddrick sold 75 chinese dumplings to Zheng Jie Restaurants for RM600 by cash.
31 Joint Venture ended and the remaining chinese dumplings was donated to old folk home.

A final settlement was made between the venturers by cash and the venture was closed.

You are required to prepare:

- a) Joint Venture accounts in the books of both venturers;
- b) Memorandum Joint Venture Account.

5. Ming Hang Trading dispatched 500 cases of goods, costing RM80 per case, from his warehouse in Thailand, to his agents Jing Yuan in Ipoh on 1 January 2022. He paid for delivery charges and insurance expenses RM500 and RM300 respectively on the same date. A pro-forma invoice RM45,000 had been sent to Jing Yuan for the clearance purpose.

Jing Yuan received all the goods on 5 January 2022, and paid for warehouse charges and packaging expenses RM350 and RM280 respectively. Following were the record of sales made by Jing Yuan during the year:

Date	Amount (RM)
10 February 2022	Cash Sales of 100 cases, each RM100
18 March 2022	Credit Sales of 50 cases, each RM120
30 June 2022	Credit Sales of 80 cases, each RM110
30 Sept 2022	Cash Sales of 120 cases, each RM95

All the expenses incurred during sales:

Selling and distribution cost	RM1,000
Advertising expenses	RM800
Carriage	RM500

The agreement between the two parties stated that Jing Yuan was to received 5% of commission on sales, plus an additional 2% del credere commission on credit sales.

At 31 December 2022 Jing Yuan received RM14,500 as full settlement of the debts from his debtors. Amount due to Ming Hang Trading was settle by cheque.

You are required to write up the following accounts for the financial year ended 31 December 2022:

In the books of Consignor:

- i) Consignment Account;
- ii) Consignee Account – Jing Yuan.

6. The Receipts and Payments Account of Yu Yun Sport Club as at 31 August 2022 was as follow:

Receipts	RM	Payment	RM
Subscriptions	13,500	General Expenses	1,880
Entrance Fees	5,800	Tennis Competition expenses	770
Tennis Competition registration fees	1,600	Repairs to club house	1,350
Locker rental	5,300	Newspaper and Magazine	630
Restaurant Takings	20,000	Insurance expenses	240
		Stationery Expenses	540
		New Sport Equipment	4,000
		Payments to restaurant suppliers	5,800

Additional information:

i.	1 September 2021	31 August 2022
	RM	RM
Restaurant Inventory	800	350
Club House	60,000	60,000
Sport Equipment	7,800	10,000
Bank	27,000	?
Overdue Subscriptions	1,000	-
Unexpired Subscriptions	200	300
Fixed Deposit	5,000	5,000
Outstanding general expenses	50	120
Repairs to club house in arrears	-	500
Unused Stationery	80	100

ii. Insurance had been paid for one year until 30 November 2022.

iii. Interest on fixed deposit was 5% per annum.

iv. Entrance fees to be treated as capital expenditure.

You are required to prepare:

- Subscriptions Account;
- Restaurant Trading Account for the year ended 31 August 2022;
- Income and Expenditure Account for the year ended 31 August 2022.