**2021 Chong Hwa Klang Paper 2 Question 6**

Sushi Trading purchased a lorry from Toyota Motor B h on 1 April 2019 under hire purchase agreement. The cash price was RM 100,000.

The terms of the hire purchase agreement were as bellow:

1. A cash deposit was required of 20% on cash price, payable on 1 April 2019.
2. 60 monthly instalments, to include interest at 5% per annum calculated on the balance of the cash price outstanding on 1 April 2019.
3. The first instalment was payable on 28 May 2019, and the remaining instalments were on the 28th of each month.

On 1March 2020, the lorry was totally damaged in an accident. The lorry was then dealt with on 15th March 2020 as follows :

1. The insurance company paid RM 55,000 under the comprehensive policy covered.
2. Toyota Motor B h accepted RM 69,800 to terminate the hire purchase agreement.

All payments were made on the due date. The depreciation was made at the rate of 15% per annum on cost, but the half year depreciation will charged in the year of disposal. Sushi Trading closes its account annually on 31 August every year.

**Required:**

In the books of Sushi Trading:

1. Calculate the :
2. Total Hire Purchase interest
3. Monthly instalment
4. Total Hire Purchase price
5. Prepare the following accounts from April 2019 until March 2020 :
6. Motor Vehicle Account
7. Hire Purchase Vendor Account
8. Hire Purchase Interest Suspense Account
9. Accumulated Depreciation of Motor Vehicle Account
10. Disposal of Motor Vehicle Account

**(Note: Give your answer in round figure)**