**2021 Tsun Jin High School Paper 2 Question 3B**

Tan, a retailer, does not keep his accounting records on a double entry basis. The following information was extracted from his company’s books:

|  |  |  |
| --- | --- | --- |
|  | **1 June 2020** | **31 May 2021** |
|  | **RM** | **RM** |
| Motor Vehicles | 16,600 | 15,500 |
| Furniture And Fittings | 3,300 | 4,100 |
| Investment | — | 5,000 |
| Inventory | 2,000 | 900 |
| Accounts Receivable | 4,900 | 6,600 |
| Accounts Payable | 3,500 | 3,000 |
| Loan From Qin (repayable on 31 March 2022) | — | 5,000 |
| Bank Balance | 700 | 2,500 |

**Additional information:**

1. RM 600 of debts was irrecoverable and doubtful debts allowance of 5% was provided.
2. During the year, Tan sold part of his own property for RM 8,100 and the proceeds were banked into the business current account.
3. No record for the trader’s own sofa valued at RM 900 was transferred from his residence to the business during the year.
4. Tan withdrew cash RM 50 per week to pay the household expenses.
5. The proprietor decided to dispose of an old motor car for RM 500 at the end of the reporting period. The car cost RM 4,000 and its depreciation up to this date was RM 3,500.
6. Shop rental included an amount of RM 300 deposit and RM 400 of outstanding dividend from investment was to be received before 30 June 2021.
7. An invoice of rates for May 2021 amounted to RM 200 and unearned commission income for the reporting period was RM 100.
8. All the non-current tangible assets were to be depreciated by 10% per annum.

**You are required to prepare:**

1. Statement Of Profit Or Loss for the year ended 31 May 2021;
2. Statement Of Affairs as at 31 May 2021.