**Practice 2**

On 1 July Year 2, Samuel sold goods to Shi Hao on credit for RM 6,000. The debt was settled on that day by cheque RM 1,500, a two-month bill (Bill 1) for RM 2,000) and a three-month bill (Bill 2) for the balance. The bills were accepted by Shi Hao on 3 July Year 2.

Samuel duly discounted Bill 1 with a bank for RM 1,950, and Bill 2 with discounts of RM 75.

On the due date, Bill 1 was honoured, while Bill 2 was dishonoured. Noting charges of RM 25 were incurred and a new bill (Bill 3) for two months was drawn with interest of RM 10 per month. Bill 3 was met on maturity.

You are required to prepare Journal entries and Ledger accounts in the books of Samuel to record the above transactions.