**Practice 4**

On 1 January Year 4, Soon Ying purchased goods from Lih Chung on credit for RM 3,000.

Soon Ying duly accepted two bills of Lih Chung, Bill 1 for RM 1,800 payable in three months and Bill 2 for Rm 1,200 payable in four months.

On 1 February Year 4, Lih Chung negotiated Bill 1 to his creditor Joe as part settlement of the debt owed. Besides, he discounted Bill 2 with his bank, discounting charges being RM 10.

On maturity, both of the bills were duly paid by Soon Ying.

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