**Unified Exam Bookkeeping and Accounts Past Year Papers Collection - Year 2012 Question 5**

On 1 July 2011 Jamil sold goods on credit to Muthu for the amount of RM 5,500. On 10 July 2011, Muthu settled part of the debts by issuing a cheque for RM 2,500 and received a discount of RM 100. On the same date, Jamil drew a two-month bill of exchange (Bill 1) for RM 2,000 and a three-month bill (Bill 2) for the balance. The bills were duly accepted by Muthu.

On 1 August 2011, Bill 1 was discounted at a bank for RM 1,880. This bill was later paid on due date.

Jamil presented Bill 2 for payment on the due date. The bill was returned as dishonoured. Jamil immediately drew a new bill (Bill 3) on Muthu plus RM 50 interest for a further period of two months. Muthu accepted the bill on that day.

Jamil presented Bill 3 on due date, the bill was duly paid and money was thus received.

**You are required to** prepare the following accounts in the books of Jamil for the period from 1 July to 31 December 2011:

1. Accounts Receivable – Muthu;
2. Bank Account;
3. Discounts Allowed Account;
4. Bills Receivable Account;
5. Discounting Charges Account;
6. Interest Income Account;

**Remark:** 3 days of grace are not required.