**Final Year Exam 2018 Question 3**

In the books of **Ma Manufacturing Company**

**General Ledger**

**(a) Hire Purchase Vendor**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 2016 |  | **RM** | 2016 |  | **RM** |
| Jan 1 | Bank - Deposit | 25,000 | Jan 1 | Machinery | 100,000 |
| Dec31 | Bank - 1st Instalment | 30,000 | 1 | Hire Purchase Interest Suspense | 15,000 |
| 31 | Balance c/d | 60,000 |  |  |  |
|  |  | 115,000 |  |  | 115,000 |
|  |  |  | 2017 |  |  |
| Dec31 | Bank - 2nd Instalment | 30,000 | Jan 1 | Balance b/d | 60,000 |
| 31 | Balance c/d | 30,000 |  |  |  |
|  |  | 60,000 |  |  | 60,000 |
| 2018 |  |  | 2018 |  |  |
| Jan 1 | Hire Purchase Interest Suspense | 5,000 | Jan 1 | Balance b/d | 30,000 |
| 1 | Bank - Final Settlement | 26,500 | 1 | Termination Charges | 1,500 |
|  |  | 31,500 |  |  | 31,500 |
|  |  |  |  |  |  |

**(b) Hire Purchase Interest Suspense**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 2016 |  | **RM** | 2016 |  | **RM** |
| Jan 1 | Hire Purchase Vendor | 15,000 | Dec31 | Profit and Loss |  |
|  |  |  |  | - Hire Purchase Interest | 5,000 |
|  |  |  | 31 | Balance c/d | 10,000 |
|  |  | 15,000 |  |  | 15,000 |
| 2017 |  |  | 2017 |  |  |
| Jan 1 | Balance b/d | 10,000 | Dec31 | Profit and Loss |  |
|  |  |  |  | - Hire Purchase Interest | 5,000 |
|  |  |  | 31 | Balance c/d | 5,000 |
|  |  | 10,000 |  |  | 10,000 |
| 2018 |  |  | 2018 |  |  |
| Jan 1 | Balance b/d | 5,000 | Dec31 | Hire Purchase Vendor | 5,000 |
|  |  |  |  |  |  |

**(c) Disposal of Machinery**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 2018 |  | **RM** | 2018 |  | **RM** |
| Jan 1 | Machinery | 100,000 | Jan 1 | Accumulated Depreciation of |  |
|  |  |  |  | Machinery | 36,000 |
|  |  |  | 1 | Bank - Disposal Proceeds | 60,000 |
|  |  |  | 1 | Loss on Disposal | 4,000 |
|  |  | 100,000 |  |  | 100,000 |
|  |  |  |  |  |  |