|  |  |
| --- | --- |
|  | **RM** |
| Cash Price | 50,000 |
| Less: Deposit | (10,000) |
|  | 40,000 |
| Add: Total hire purchase interest (RM40,000 x 8% x 4) | 12,800 |
| Total amount of instalment | 52,800 |
|  |  |

2. Total hire purchase interest: RM 12,800
3. Total amount of instalments: RM 52,800
4. Monthly instalment: RM 52,800 / 48 = RM 1,100
5. Hire Purchase Interest from 1 July to 30 September 2020:

RM 12,800 / 48 x 3 = RM 800

1. Accumulated Depreciation for the year ended 30 September 2020:

RM 50,000 x 20% x ½ = RM 5,000

1. In the books of P Sdn Bhd:

(i) **Office Furniture**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 2020 |  | **RM** | 2020 |  | **RM** |
| Jun 1 | Hire Purchase Vendor | 50,000 | Sp 30 | Balance c/d | 50,000 |
|  |  |  |  |  |  |
| Oct 1 | Balance b/d | 50,000 |  |  |  |
|  |  |  |  |  |  |

(ii) **Hire Purchase Vendor**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 2020 |  | **RM** | 2020 |  | **RM** |
| Jul 1 | Bank - Deposit | 10,000 | Jul 1 | Truck | 50,000 |
| 31 | Bank - 1st Instalment | 1,100 | 1 | Hire Purchase Interest Suspense | 12,800 |
| Ag 31 | Bank - 2nd Instalment | 1,100 |  |  |  |
| Sp 30 | Bank - 3rd Instalment | 1,100 |  |  |  |
| 30 | Balance c/d | 23,900 |  |  |  |
|  |  | 62,800 |  |  | 62,800 |
|  |  |  |  |  |  |
|  |  |  | Oct 1 | Balance b/d | 23,900 |
|  |  |  |  |  |  |

(iii) **Hire Purchase Interest Suspense**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 2020 |  | **RM** | 2020 |  | **RM** |
| Jul 1 | Hire Purchase Vendor | 12,800 | Sp 30 | Profit and Loss - Hire Purchase |  |
|  |  |  |  | Interest | 800 |
|  |  |  | 30 | Balance c/d | 12,000 |
|  |  | 12,000 |  |  | 12,000 |
|  |  |  |  |  |  |
| Oct 1 | Balance b/d | 12,000 |  |  |  |
|  |  |  |  |  |  |

(iv) **Accumulated Depreciation of Truck**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 2020 |  | **RM** | 2020 |  | **RM** |
| Sp 30 | Balance c/d | 5,000 | Sp 30 | Profit and Loss - Depreciation |  |
|  |  |  |  | of Truck | 5,000 |
|  |  | 5,000 |  |  | 5,000 |
|  |  |  |  |  |  |
|  |  |  | Oct 1 | Balance b/d | 5,000 |
|  |  |  |  |  |  |



P Sdn Bhd

(i) **Income Statement**

For The Year Ended 30 September 2020

|  |  |
| --- | --- |
|  | **RM** |
| ***Less:* Expenses** |  |
| Hire Purchase Interest | 800 |
| Depreciation of Truck | 5,000 |
|  |  |

P Sdn Bhd

(ii) **Statement of Financial Position**

As At 30 September 2020

|  |  |  |  |
| --- | --- | --- | --- |
|  | **RM** | **RM** | **RM** |
|  | **Cost** | **Accumulated Depreciation** | **Carrying Amount** |
| **Non Current Assets** |  |  |  |
| Truck | 50,000 | (5,000) | 45,000 |
| **Current Liabilities** |  |  |  |
| Hire Purchase Vendor |  |  | 23,900 |
|  |  |  |  |
|  |  |  |  |