**2021 Chong Hwa KL Paper 2 Question 4**

Ji Min is a trader dealing in electronic gadgets. On 1 January 2021, its books showed the following balances:

|  |  |  |
| --- | --- | --- |
| Accounts Receivable | - Ho Yeon | RM 5,200 |
|  | - Hae Soo | RM 3,700 |
| Accounts Payable | - Yumi | RM 4,000 |
|  | - Gong Li | RM 3,100 |

The following transactions took place during the year:

|  |  |  |
| --- | --- | --- |
| Jan. | 3 | Ji Min received two acceptances (Bill 1 and Bill 2) from Ho Yeon as follows: |
|  |  | Bill 1 RM 2,200 at one month |
|  |  | Bill 2 RM 3,000 at two months |
|  | 4 | Ji Min discounted the Bill 1 at his bank, and incurred charges of RM 200. |
|  | 6 | Received from Hae Soo in payment of his account, Lisa’s acceptance (Bill 3) due on 15 March for RM 1,700 duly endorsed. |
|  | 12 | Ji Min negotiated Bill 2 to Gong Li in full settlement of the amount owing to her. |
|  | 22 | Ji Min accepted a two months bill of exchange (Bill 4) from Yumi for RM3,500 and the balance due to her was settled by cheque. |
| Feb. | 3 | Bank advised that Ho Yeon’s acceptance (Bill 1) was dishonoured and paid noting charges amounting to RM 50.  Ji Min immediately drew a new bill (Bill 5) on Ho Yeon plus noting charges and interest charges of RM 120 for a further period of two months. |
| Mar. | 3 | Bill 2 was met at maturity. |
|  | 15 | Ji Min found out Bill 3 was dishonoured on due date and sent it back to Hae Soo. Hae Soo then sent a cheque to settle all outstanding balance. |
|  | 22 | Ji Min paid Yumi’s bill (Bill 4) on due date. |
|  | 24 | Prior to due date, Ho Yeon desired to retire (i.e. pay) Bill 5 and allowed him a rebate of RM 70. |

(**Remark:** 3 days of grace are not considered and narrations are not required.)

You are required to show the necessary journal entries to record the above transactions in the books of Ji Min.