**2022 Pin Hwa High School Paper 2 Question 1**

The Statement Of Financial Position of Soon Company as at 13 December 2020 contained the following items:

|  |  |  |
| --- | --- | --- |
|  | **RM** | **RM** |
| Motor Vehicles | 180,000 |  |
| Less: Accumulated Depreciation | (55,000) | 125,000 |
|  |  |  |
| Office Equipment | 25,000 |  |
| Less: Accumulated Depreciation | (2,500) | 22,500 |

The company depreciates its motor vehicles at the rate of 15% on cost per annum and office equipment at the rate of 10% per annum using the reducing balance method.

It is the policy of the company that a full year's depreciation is charged in the year of acquisition but none in the year of disposal.

On 1 May 2021, one motor vehicle cost RM 40,000 bought on 1 March 2018 was traded in with a new motor vehicle cost RM 50,000. The company paid RM 29,000 by cheque to settle the full payment of the new motor vehicle.

On 31 July 2021, the company bought a new computer for RM 3,000.

**You are required to prepare:**

1. the following accounts for 2021:
2. Motor Vehicles;
3. Office Equipment;
4. Accumulated Depreciation Of Motor Vehicles;
5. Accumulated Depreciation Of Office Equipment;
6. Disposal Of Motor Vehicle.
7. the non-current assets section of the Statement Of Financial Position as at 31December 2021.