**Question 5**

On 1 January 2023, Wong had the following balances on personal accounts included in his ledgers: -

In his Debtors' Ledger In his Creditor's Ledger

Chan RM 10,290 Tan RM 6,300

Lim RM 5,970 Lee RM 12,225

Ong RM 7,230

During the year 2023 the following transactions took place:

Jan 15 Wong drew a bill of exchange on Chan for RM 10,290 at two months from s sight.

18 Wong drew a bill of exchange on Lim for RM 5,970 at three months from sight.

20 Wong received both these bills duly accepted that day from Chan and Lim.

25 Wong drew a bill of exchange on Ong for RM 7,230 at three months from sight.

26 Wong endorsed the bill for RM 10,290 (duly accepted by Chan on 20 January) over to Lee in part settlement of the amount owed to him.

Wong also included a cheque to cover the difference, which then settled the outstanding account.

28 Wong received the bill from Ong duly accepted that day. Wong discounted the bill at his bank and received the amount of the bill less RM 216 discounting charges.

Feb 1 Tan drew a bill of exchange on Wong for RM 6,300 at two months from sight.

3 Tan received the bill duly accepted by Wong that day.

Apr 3 Wong paid the bill for RM 6,300 on its presentation.

18 Wong presented the bill from Lim for RM 5,970 for payment. It was returned dishonoured. Wong drew a new bill of exchange on Lim for RM 5,970 plus RM 180 to cover interest, at one month from sight.

May 18 Wong presented this new bill from Lim for payment, and it was duly paid.

**You are required to:**

1. Prepare the Journal entries to record the above transactions in Wong's books. (Narrations are not required.)

**Or**

(b) Open the accounts listed below and enter the transactions:

1. Personal accounts of Chan, Lim, Ong, Tan and Lee;
2. Bills Receivable
3. Bills Payable
4. Discounting Charges
5. Bank