新加坡海星中学

MARIS STELLA HIGH SCHOOL
PRELIMINARY EXAMINATIONS
SECONDARY FOUR

PRINCIPLES OF ACCOUNTS

7087/02

Paper 2

22 August 2024

INSERT

2 hours

READ THESE INSTRUCTIONS FIRST

This insert contains the data for Question 1.

Downloaded from SingaKids.com

Data for Question 1

The following balances were extracted from the books of Happiness Ptd Ltd on 31 May 2024.

	$	
Motor vehicles at cost	270 000	
Fixtures and fittings at cost	64 000	
Accumulated depreciation of		
Motor vehicles	48 000	
Fixtures and fittings	6 400	
Inventory	83 500	
Sales revenue	642 000	
Sales returns	4 100	
Cost of sales	448 310	
Trade receivables	31 400	
Trade payables	9 150	
Allowance for impairment of trade receivables	1 350	
Cash at bank	1 000	Cr
Commission income	4 400	
Interest expense	2 500	
Utilities expense	7 200	
Wages and salaries	54 220	
Discount received	1 830	
Rent expenses	72 000	
Discount allowed	1 900	
Share capital, 110 000 ordinary shares	220 000	
Retained earnings 1 June 2023	5 000	
Bank loan	100 000	

Downloaded from SingaKids.com

Additional information

1 Motor vehicles are to be depreciated at 10% using the straight-line method assuming a scrap value of $30 000.

2 Fixtures and fittings are to be depreciated at 20% per annum using the reducing-balance method.

3 At 31 May 2024:

(i) commission income, $600, had yet to be received
(ii) utilities expense, $1 200, was prepaid
(iii) wages and salaries. $1 780, were owing.

4 A debt of $ 1400 owed by a customer was found to be irrecoverable. The company decided to write this amount off.

5 It was decided that 5% of the trade receivables were unlikely to be collectible.

6 On 31 May 2024, goods costing $3 500 were damaged. The inventory has yet to be written down.

7 One fifth of the bank loan is to be repaid on 31 December 2024.

8 The company declared a dividend of $0.06 per share. This will be paid on 30 June 2024.

Downloaded from SingaKids.com

BLANK PAGE

Downloaded from SingaKids.com