



Preliminary Examination 2024
in preparation for the GCE Ordinary Level Examination

CANDIDATE
NAME

CLASS

REGISTER
NUMBER

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PRINCIPLES OF ACCOUNTS

7087/02

INSERT

21 August 2024

2 hours

READ THESE INSTRUCTIONS FIRST

This insert contains the data for Question 1.

Data for Question 1

The following balances were extracted from the books of PQR Pte Limited on 30 June 2024.

	\$	
Office equipment at cost	95 000	
Motor vehicles at cost	145 000	
Accumulated depreciation		
Office equipment	18 000	
Motor vehicles	73 950	
Sales revenue	278 710	
Sales returns	15 200	
Cost of sales	185 300	
Inventory	31 800	
Commission income	19 750	
Wages and salaries	54 000	
General expenses	6 700	
Rent expense	11 250	
Trade receivables	24 780	
Trade payables	16 100	
Allowance for impairment of trade receivables	860	
Cash at bank	13 300	debit
3% bank loan repayable 2029	20 000	
Issued share capital, 125 000 ordinary shares	125 000	
Retained earnings 1 July 2023	29 960	

Additional information

- Office equipment are to be depreciated at 10% per annum using the straight-line method assuming a scrap value of \$5 000.
- Motor vehicles are to be depreciated at 30% per annum using the reducing-balance method.
- At 30 June 2024:
 - commission income, \$1 750, had been received in advance
 - rent expense, \$1 000, was prepaid
 - wages and salaries, \$940, were owing.
- It was decided that 5% of the trade receivables were unlikely to be collectible.
- Interest on the bank loan for the year to 30 June 2024 had not yet been paid.
- The company declared a dividend of \$0.08 per share. This will be paid on 1 September 2024.