

Name of Candidate: ..... (      ) Class: .....



**BUKIT PANJANG GOVERNMENT HIGH SCHOOL**  
**PRELIMINARY EXAMINATION 2024**  
**SECONDARY 5**  
**GCE 'O' LEVEL SYLLABUS**

---

**PRINCIPLES OF ACCOUNTS**

**7087/02**

Paper 2

**21 August, 2024**

INSERT

**2 hours**

**0750 h – 0950 h**

---

**READ THESE INSTRUCTIONS FIRST**

This insert contains the data for Question 1.

**Data for Question 1**

Le-Vince Pte Ltd is a company providing legal consultancy services. The following balances were extracted on 31 March 2024.

	\$
Share capital, 100 000 ordinary shares	100 000
Retained earnings at 1 April 2023	29 230
Commission income	8 000
Legal fee revenue	40 400
Trade payables	21 000
Trade receivables	32 000
Allowance for impairment of trade receivables	780
Bank loan repayable 2028	60 000
Cash at bank	35 000
Equipment at cost	150 000
Fixtures and fittings at cost	55 000
Accumulated depreciation:	
Equipment	28 500
Fixtures and fittings	15 600
Office expenses	6 200
Wages and salaries	9 310
Rent expense	15 000
Interest on bank loan	1 000

Additional information on 31 March 2024

- 1 Fixtures and fittings are to be depreciated using the straight-line method over a useful life of ten years. The estimated scrap value is \$3 000.
- 2 Equipment are to be depreciated at 10% per annum using the reducing-balance method.
- 3 Interest is charged on bank loan at the rate of 6% per annum. The loan was taken up on 1 November 2023.
- 4 The rent expense of \$15 000 is paid for 15 months, up to 30 June 2024.
- 5 Wages and salaries, \$2 310, were owing and office expenses, \$1 230, was prepaid.

- 6 Legal fee revenue amounting to \$3 200 was received in advance from a client.
- 7 It was decided that 2% of the trade receivables were unlikely to be collectible.
- 8 25 000 shares at \$1.00 each were issued and paid on 1 February 2024. This has not been recorded.
- 9 A dividend of \$0.05 per share was declared on 1 March 2024, but had not been paid.

**BLANK PAGE**