

MARKING SCHEME - REVISION PAPER 26

PART I

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|--------------|---------------|
| 1) 03 | 6) 01 |
| 2) 04 | 7) 03 |
| 3) 04 | 8) 03 |
| 4) 01 | 9) 04 |
| 5) 04 | 10) 01 |

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| 11) Prudence concept
Disclose concept
Realization concept
Accrual concept | 12) Cash Receipt journal – Receipt
Purchase Return journal – Debit note
General journal – Journal voucher
General journal – Journal voucher |
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|--|------------------|
| 13) Manufacturing
Manufacturing
Manufacturing
Manufacturing | 14) Rs.1,030,000 |
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| 15) Discount Allowed | Dr 450,000 |
| Debtors control | Cr 450,000 |

(40 Marks)

PART II

Question No 01

1) Subscription Account		(Rs. '000)
B/B/F	40	B/B/F
Income & Expenditure	⌚290	Receipt & Payments
B/C/D	8	B/C/D
	338	

- 2) Drama Festival - Income Statement (Rs. '000)

<u>Income</u>		
Sale of tickets	⌚300	
Contributing from Sponsors	⌚90	390
<u>Expenses</u>		
Rent	⌚25	
Expenses related to Drama	⌚70	
Refreshments	⌚8	(103)
Net Profit		⌚287

Workings

Opening Account Fund	=	Assets	-	Liabilities
	=	25	-	700
	=	1 000	-	4
	=	50	-	
	=	40	-	
⌚411	=	1 115	-	704

- 3) Income Statement (Club) (Rs. '000)

<u>Income</u>		
Subscription	⌚290	
Life Membership	⌚100	
Interest Income	⌚6.9	
Donations	118	
Entrance Fee	130	
Surplus from Drama	⌚287	931.9
<u>Expenses</u>		
Donations	⌚50	
Furniture depreciation	⌚1	
Computer depreciation	⌚8	
Postage	15	
Stationery	20	
Transport	3	
Electricity	7	
Expenses for celebrations	24	(128)
Surplus		⌚803.9

Adjusted Receipts & Payments Account

B/B/F	250	Rent	25
Sale of Tickets	300	Expenses	70
Sponsors	90	Refreshments	8
		Donations	50
		B/C/D	2487
	<u>640</u>		<u>640</u>

4) SOFP

<u>Non Current Assets</u>		
Furniture	149	
Land & Building	1 000	
Computer	182	1 131
Fixed Deposit		69
<u>Current Account</u>		
Subscription receivable	134	
Interest receivable	1.9	
Receipt & payments balance	487	622.9
		<u>1 822.9</u>
<u>Equity</u>		
Opening Accumulated Fund	411	
(+) Opening Surplus	803.9	1 214.9
<u>Non Current Liability</u>		
Life Membership	600	600
<u>Current Liability</u>		
Subscription in advance	8	8
		<u>1 822.9</u>

(Total Marks 30)

Question No 02

1) Pubudu Enterprises Income Statement

Sales		179 300
(-) Cost of Sales		
Opening Stock	18 800	
(+) Purchases	43 750	
(-) Closing Stock	16 000	46 550
Gross Profit		132 750
<u>(+) Other Income</u>		
<u>(-) Other Expenses</u>		
Building Depreciation	8 000	
Furniture Depreciation	20 000	
Wages	36 000	
Motor Vehicle Hire Charges	4 000	
Loan Interest	3 000	
General Expenses	3 000	(74 000)
Net Profit		58 750

Pubudu Enterprises
Statement of Financial Position

	Cost	Accumulated Dep.	Net Book Value
<u>Non-Current Assets</u>			
Land	100 000	-	⌚100 000
Building	80 000	8 000	⌚ 72 000
Furniture	80 000	20 000	⌚ 60 000
	260 000	28 000	232 000
<u>Current Assets</u>			
Closing Stock		⌚16 000	
Debtors		⌚17 500	
Cash		⌚96 350	129 850
			361 850
<u>Opening Capital</u>			
(+) Net Profit		⌚262 100	
(-) Drawings		⌚58 750	320 850
<u>Non-Current Liabilities</u>			
Bank Loan		⌚30 000	30 000
<u>Current Liabilities</u>			
Accrued Interest		⌚1 500	
Creditors		⌚9 500	11 000
			361 850

Workings

Debtors Control

B/B/F	16 200	Cash	178 000
Sales ②	179 300	B/C/D	17 500
	<u>195 500</u>		<u>195 500</u>

Creditors Control

Cash	45 250	B/B/F	11 000
B/C/D	9 500	Purchases②	43 750
	<u>54 750</u>		<u>54 750</u>

Cash Control

B/B/F	9 600	Creditors	45 250
		Wages	36 000
		Mv hire charges	4 000
		Loan interest	3 000
		General expense	3 000
Debtors	178 000	B/C/D ②	96 350
	<u>187 600</u>		<u>187 600</u>

(Total Marks 30)