

## MARKING SCHEME - REVISION PAPER 14

### Question No 01

#### PART II

1) General Journal Rs,(000) (05 marks)

| Date  | Journal voucher No. | Description  | Debit         | Credit        |
|-------|---------------------|--|---------------|---------------|
| 01/01 |                     | Land and Building Dr   | 25 000        |               |
|       |                     | Motor vehicle Dr   | 2 200         |               |
|       |                     | Furniture Dr   | 1 000         |               |
|       |                     | Debtors control Dr   | 750           |               |
|       |                     | Stocks Dr  | 150           |               |
|       |                     | Investment Dr  | 300           |               |
|       |                     | Petty cash Dr  | 25            |               |
|       |                     | Cash control Dr  | 20            |               |
|       |                     | Bank loan  |               | 400           |
|       |                     | Creditor control   |               | 90            |
|       |                     | Capital  |               | 28 955        |
|       |                     | (Recording opening entries of Damsara's business as at 01.01.2021) | <b>29 445</b> | <b>29 445</b> |
| 22/01 |                     | Equipment Dr   | 450           |               |
|       |                     | Singer PLC   |               | 450           |
|       |                     | (purchase of equipment on credit)                                  |               |               |
| 23/01 |                     | Cash control Dr  | 55            |               |
|       |                     | Creditor control   |               | 55            |
|       |                     | (Dishonoured cheque)   |               |               |
|       |                     |  |               |               |
|       |                     |  |               |               |

#### Cash Receipt journal

Rs,(000)

| Date  | Receipt No | Description | Discount Allowed | Amount       | Analysis Columns |            |          |            |           |
|-------|------------|-------------|------------------|--------------|------------------|------------|----------|------------|-----------|
|       |            |             |                  |              | Sales            | Debtors    | Income   | Other      | VAT       |
| 02/01 | 003        | Capital ①   |                  | 300          |                  |            |          | 300        |           |
| 05/01 | 004        | Sales①      |                  | 88           | 80               |            |          |            | 8         |
| 16/01 | 005        | Sales①      |                  | 220          | 200              |            |          |            | 20        |
| 27/01 | 006        | Ovina①      | 8                | 580          |                  | 580        |          |            |           |
|       |            |             | <b>8</b>         | <b>1 188</b> | <b>280</b>       | <b>580</b> | <b>-</b> | <b>300</b> | <b>28</b> |

#### Cash Payment journal

Rs,(000)

| Date  | Voucher No | Description | Discount Received | Amount       | Analysis Columns |            |          |             |            |
|-------|------------|-------------|-------------------|--------------|------------------|------------|----------|-------------|------------|
|       |            |             |                   |              | Purchase         | Creditor   | Expense  | Other       | VAT        |
| 01/01 | 001        | Purchases①  |                   | 17.6         | 16               |            |          |             | 1.6        |
| 20/01 | 002        | Sineth①     | 5                 | 165          |                  | 165        |          |             |            |
| 20/01 | 003        | Pasindu①    |                   | 55           |                  | 55         |          |             |            |
| 26/01 | 004        | Telephone①  |                   | 8            |                  |            | 8        |             |            |
| 30/01 | 005        | Petty cash① |                   | 19.3         |                  |            |          | 19.3        |            |
|       |            |             | <b>5</b>          | <b>263.9</b> | <b>16</b>        | <b>220</b> | <b>8</b> | <b>19.3</b> | <b>1.6</b> |

## Sales Journal

Rs,(000)

| Date  | Invoice No. | Customers Name                       | Excluding Vat | Vat       | Including Vat |
|-------|-------------|--------------------------------------|---------------|-----------|---------------|
| 24/01 | 004 ①       | Ovina                                | 90            | 9         | 99            |
| 24/01 | 005 ①       | Induwara                             | 120           | 12        | 132           |
| 24/01 | 006 ①       | Savinaka                             | 80            | 8         | 88            |
|       |             | <b>Transferred to general ledger</b> | <b>290</b>    | <b>29</b> | <b>319</b>    |

## Sales Return Journal

Rs,(000)

| Date  | Credit Note | Customers Name                       | Excluding Vat | Vat        | Including Vat |
|-------|-------------|--------------------------------------|---------------|------------|---------------|
| 25/01 | 007 ①       | Ovina                                | 10            | 1          | 11            |
| 25/01 | 008 ①       | Savinaka                             | 6             | 0.6        | 6.6           |
|       |             | <b>Transferred to general ledger</b> | <b>16</b>     | <b>1.6</b> | <b>17.6</b>   |

## Purchase Journal

Rs,(000)

| Date  | Invoice No. | Supplier Name                        | Excluding Vat | Vat       | Including Vat |
|-------|-------------|--------------------------------------|---------------|-----------|---------------|
| 10/01 | 001 ①       | Sineth                               | 150           | 15        | 165           |
| 10/01 | 002 ①       | Nelaka                               | 400           | 40        | 440           |
| 10/01 | 003 ①       | Pasindu                              | 100           | 10        | 110           |
|       |             | <b>Transferred to general ledger</b> | <b>650</b>    | <b>65</b> | <b>715</b>    |

## Purchase return Journal

Rs,(000)

| Date  | Debit Note | Supplier Name                        | Excluding Vat | Vat      | Including Vat |
|-------|------------|--------------------------------------|---------------|----------|---------------|
| 12/01 | ①          | Sineth                               | 20            | 2        | 22            |
| 12/01 | ①          | Nelaka                               | 60            | 6        | 66            |
|       |            | <b>Transferred to general ledger</b> | <b>80</b>     | <b>8</b> | <b>88</b>     |

## Petty Cash Journal

Rs,(000)

| Date  | Voucher No | Description       | Amount      | Analysis Columns |            |           |          |          |
|-------|------------|-------------------|-------------|------------------|------------|-----------|----------|----------|
|       |            |                   |             | Cleaning         | Stationery | Transport | Other    | Ledger   |
| 15/01 | 004 ①      | Cleaning          | 2.5         | 2.5              |            |           |          |          |
|       | 005 ①      | Transport         | 5           |                  |            | 5         |          |          |
|       | 006 ①      | Stationery        | 4           |                  | 4          |           |          |          |
|       | 007 ①      | A4 bundle         | 2.8         |                  | 2.8        |           |          |          |
|       | 008 ①      | Other expense     | 2           |                  |            |           | 2        |          |
|       | 009 ①      | Creditor – Sineth | 3           |                  |            |           |          | 3        |
|       |            |                   | <b>19.3</b> | <b>2.5</b>       | <b>6.8</b> | <b>5</b>  | <b>2</b> | <b>3</b> |

General ledger

## Debtors Control ④

|       |              |                  |              |
|-------|--------------|------------------|--------------|
| B/B/F | 750          | Return inward    | 17.6         |
| Sales | 319          | Cash             | 580          |
|       |              | Discount allowed | 8            |
|       |              | B/C/D            | 463.4        |
|       | <u>1 069</u> |                  | <u>1 069</u> |

## Creditors Control ④

|               |            |           |            |
|---------------|------------|-----------|------------|
| Ret out.      | 88         | B/B/F     | 90         |
| Cash          | 220        | Purchases | 715        |
| Petty cash    | 3          | Dis.cheqe | 55         |
| Discount Rec. | 5          |           |            |
| B/C/D         | 544        |           |            |
|               | <u>860</u> |           | <u>860</u> |

### Debtors ledger

#### Ovina ②

|       |            |                  |            |
|-------|------------|------------------|------------|
| B/B/F | 500        | Return inward    | 11         |
| Sales | 99         | Cash             | 580        |
|       |            | Discount allowed | 8          |
|       |            | B/C/D            | -          |
|       | <u>599</u> |                  | <u>599</u> |

#### Savinaka ②

|       |           |                  |           |
|-------|-----------|------------------|-----------|
| B/B/F | -         | Return inward    | 6.6       |
| Sales | 88        | Cash             | -         |
|       |           | Discount allowed | -         |
|       |           | B/C/D            | 81.4      |
|       | <u>88</u> |                  | <u>88</u> |

#### Induwara ②

|       |            |                  |            |
|-------|------------|------------------|------------|
| B/B/F | 250        | Return inward    | -          |
| Sales | 132        | Cash             | -          |
|       |            | Discount allowed | -          |
|       |            | B/C/D            | 382        |
|       | <u>382</u> |                  | <u>382</u> |

### Creditors ledger

#### Sineth ②

|               |            |            |            |
|---------------|------------|------------|------------|
| Ret out.      | 22         | B/B/F      | 30         |
| Cash          | 165        | Purchases  | 165        |
| Petty cash    | 3          | Dis.chèque | -          |
| Discount Rec. | 5          |            |            |
| B/C/D         | -          |            |            |
|               | <u>195</u> |            | <u>195</u> |

#### Nelaka ②

|               |            |            |            |
|---------------|------------|------------|------------|
| Ret out.      | 66         | B/B/F      | 60         |
| Cash          | -          | Purchases  | 440        |
| Petty cash    | -          | Dis.chèque | -          |
| Discount Rec. | -          |            |            |
| B/C/D         | 434        |            |            |
|               | <u>500</u> |            | <u>500</u> |

#### Pasindu ②

|               |            |            |            |
|---------------|------------|------------|------------|
| Ret out.      | -          | B/B/F      | -          |
| Cash          | 55         | Purchases  | 110        |
| Petty cash    | -          | Dis.chèque | 55         |
| Discount Rec. | -          |            |            |
| B/C/D         | 110        |            |            |
|               | <u>165</u> |            | <u>165</u> |

(Total Marks 50)

### Question No: 02

|    |   |              |         |              |
|----|---|--------------|---------|--------------|
| i) | Debtors Control Account (before rectifying) |              |         |              |
|    | B/B/F                                       | 300          | B/B/F   | 50           |
|    | Interest①                                   | 5            | Returns | 25 ①         |
|    | Sales                                       | ①700         | D A     | 10 ①         |
|    |   |              | Cash    | 400 ①        |
|    |   |              | Set off | 20 ①         |
|    |   |              | B/C/D   | 500 ①        |
|    |   | <u>1 005</u> |         | <u>1 005</u> |
|    | B/B/F                                       | 500          |         |              |

ii)

| Adjusted Debtors Control Account |       |     |          |     |   |
|----------------------------------|-------|-----|----------|-----|---|
| ①                                | B/B/F | 500 | Bad debt | 10  | ① |
| ①                                | Sales | 6   | DA       | 1   | ① |
|                                  |       |     | B/C/D    | 495 | ① |
|                                  |       | 506 |          | 506 |   |
|                                  | B/B/F | 495 |          |     |   |

iii)

| Debtors Reconciliation Statement |   |            |
|----------------------------------|---|------------|
| Adjusted Control Account balance |   | 495        |
| (+) Sales return①                | 9 | 9          |
|                                  |   | 504        |
| (-) Sales ①                      | 6 |            |
| debit balance ①                  | 4 | (10)       |
| Balance as per Debtors Ledger ①  |   | <b>494</b> |

iv)

| Bad debts and provision for doubtful debts account |           |          |         |
|--|-----------|----------|---------|
| ①  | Bad debts | 10       |         |
|  |           | B/B/F    | 15      |
|  |           | Recovery | 5 ①     |
|  |           | P & L    | 14.75 ① |
| ①  | B/C/D     | 24.75    |         |
|  |           | 34.75    | 34.75   |

(Total Marks 20)