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අධ්‍යයන පොදු සහතික පත්‍ර (උසස් පෙළ) විභාගය - 2021 අගෝස්තු  
 கல்விப் பொதுத் தரப்பரப் பத்திர (உயர் தர)ப் பரீட்சை - 2021 ஓசஸ்ந்  
 General Certificate of Education (Adv. Level) Exam - August 2021

නව නිර්දේශය  
 புதிய பாடத்திட்டம்  
 New syllabus

ගිණුම්කරණය I  
 கணக்கீடு I  
 Accounting I

33 E I

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 ஒரு மணித்தியாலங்கள்  
 One Hour

**Instructions:**

- \*Select the correct answer for question No: 1- 15 & write its number on the dotted line given.
- \*Answer all questions in Part II - Relevant workings should be attached to the answer script

**Paper No 03**

**PART I**

**01.** Two transactions occurred in ‘Sanhindas business’ on 01.04.2021 are as follows:

Cash purchases Rs. 40 000  
 Credit purchases Rs. 60 000

Which of the following statement shows the correct impact of the above transactions?

- (1) Increase of assets Rs. 60 000 - decrease of liabilities Rs. 60 000
- (2) Increase of assets Rs. 60 000 - increase of liabilities Rs. 60 000
- (3) Increase of assets Rs. 100 000 - increase of liabilities Rs. 100 000
- (4) Decrease of assets Rs.100 000 - increase of liabilities Rs. 100 000
- (5) Increase of equity Rs. 100 000 - increase of assets Rs. 100 000

(.....)

**02.** Following is an extract of a purchase invoice of “Thulani PLC”

Date	Supplier	Value (Rs. ‘000)
05.04.2021	Paboda PLC	400
	Trade discount 10%	(40)
		360
Conditions – 10% discount is entitled if due amount is settled within a month		

The amount relevant for the above transaction was settled by Thulani PLC on 30.04.2021. Which of the following journal entry is correct in recoding the above discount?

	Cr. (Rs.)		Dr. (Rs.)
(1) Discount allowed account	36 000	Debtors control account	36 000
(2) Creditors control account	36 000	Discount received account	36 000
(3) Creditors control account	40 000	Discount received account	40 000
(4) Discount allowed account	40 000	Debtors control account	40 000
(5) Creditors control account	76 000	Discount received account	76 000

(.....)

**03.** Following information was extracted from Dinidu PLC for the year ended 31.03.2021?

	Rs. ‘000
Trade payable as at 01.04.2020	80
Trade payable as at 31.03.2021	120
Return outwards	230
Purchases	9 200

Discount received	100
Interest paid on late payments	40

Which of the following is the amount paid for trade payables for the year ended 31.03.2021?

- (1) Rs. 7 700 000                      (2) Rs. 8 790 000                      (3) Rs. 8 870 000  
(4) Rs. 8 970 000                      (5) Rs. 8 970 000

(.....)

**04.** Which of the following accounting concept is related in recognizing motor vehicles which was purchased by a retail business under lease agreement as property plant and equipment in the statement of financial position?

- (1) Business entity concept  
(2) Prudence concept  
(3) Substance over form concept  
(4) Matching concept  
(5) Money measurement concept

(.....)

**05.** Randev company sells goods by keeping a 25% gross profit on cost. Following information relevant for the period from 01.04.2017 to 31.03.2018.

	Rs. '000
Opening inventory	300
Closing inventory	250
Purchases	1 200
Custom duties and carriage inwards	150
Commission on sales	200

Sales value for the year ended 31.03.2018 is?

- (1) Rs. 1 550 000                      (2) Rs. 1 750 000                      (3) Rs. 1 800 000  
(4) Rs. 1 950 000                      (5) Rs. 2 000 000

(.....)

**06.** Which of the following statement is false in relation to a not for profit making organization?

- (1) A surplus is identified when the income of that business exceeds expenses  
(2) The fund creation by accumulating surpluses of it, is a part of equity  
(3) Membership receivables are identified as assets of the business  
(4) A separate fund can be maintained in a such business for special purpose  
(5) Such business are not maintained their accounts under double entry system

(.....)

**07.** There was a difference in the trial balance prepared as at 31.03.2021 in Chamod's business. Financial statements were prepared after recording the difference in a suspense account.

The drafted net profit in the income statement was Rs. 140 000. In later examinations the following errors and omissions were found.

- Return outward of Rs. 16 000 has been recorded only in the creditors control account
- Payment of bank loan interest Rs. 4 000 has been credited to both interest account and cash account
- Bad debts written off of Rs. 2 000 has not been recorded in debtors control account.

What is the correct net profit and balance existed in the suspense account respectively?

**Correct net profit (Rs.)      Balance existed in the suspense account (Rs.)**

(1)	146 000	Credit	6 000
(2)	146 000	Debit	10 000
(3)	148 000	Credit	10 000
(4)	148 000	Debit	14 000
(5)	150 000	Credit	18 000

(.....)

- 08.** Petty cash imprest of a business is Rs. 5 000 and at the beginning of each month petty cash imprest is reimbursed. During the month of January and February the chief cashier reimbursed a total of Rs. 7 400 to the petty cashier for the two months Separately.

What was the petty cash balance as at the bgeinnign of the month of January prior to reimbursement if the petty cash balance at the beginning of Fenruary was Rs. 600?

- |               |               |               |
|---------------|---------------|---------------|
| (1) Rs. 1 800 | (2) Rs. 2 000 | (3) Rs. 2 400 |
| (4) Rs. 3 000 | (5) Rs. 4 400 |               |

(.....)

- 09.** Sanath's business earn income through renting out motor vehicles. Following information was relevant to rented motor vehicles for the year ended 31.03.2021.

**as at 31.03.2021      as at 01.04.2020**

Rent advance received	250 000	200 000
Rent income receivable	350 000	400 000

Total rent received during the year ended 31.03.2021 was Rs. 1 300 000.

Which of the following is the rent income for the year?

- |                   |                   |                   |
|-------------------|-------------------|-------------------|
| (1) Rs. 110 000   | (2) Rs. 155 000   | (3) Rs. 1 200 000 |
| (4) Rs. 1 300 000 | (5) Rs. 1 450 000 |                   |

(.....)

- 10.** Balance of the creditors control accout prepared as at 31.03.2021 in Madhawa's business was Rs. 44 000. The total of the crditors list as at the same date was not agreed with the balance of creditors control account. The subsequent investigation revealaed the following.

- Cancellation of discount received of Rs. 2 000 has been debited to the creditors control account since the cheque was dishonoured.
- Discount received of Rs. 5 000 has been debited as Rs. 500 in relevant creditor's account
- A purchase invoice of Rs. 18 000 has been accounted as Rs. 8 000 in relevvant creditor's account.

Balance of the adjusted control account and the total of the creditors list prior to correction as at 31.03.2018 are respectively?

- |                               |
|-------------------------------|
| (1) Rs. 42 000 and Rs. 36 500 |
| (2) Rs. 42 000 and Rs. 36 500 |
| (3) Rs. 46 000 and Rs. 38 500 |
| (4) Rs. 48 000 and Rs. 42 500 |
| (5) Rs. 48 000 and Rs. 53 500 |

(.....)

**WRITE SHORT ANSWERS ON THE DOTTED LINES FOR THE QUESTION NO 11 TO 15**

**11.** State the relevant accounting elements of the following ledger accounts.

<b>Account</b>	<b>Elements</b>
(i) Goodwill	.....
(ii) Accrued Subscription	.....
(iii) Drawings	.....
(iv) Provision for employee compensation	.....

**12.** Sales journal prepared in Deshan's business for the month of January 2021 is as follows.

**Sales Journal**

<b>Date</b>	<b>Invoice No</b>	<b>Customer</b>	<b>Value Rs. '000</b>	<b>VAT Rs. '000</b>	<b>Total value Rs. '000</b>
01.05	434	Vimukthi	800	120	920
01.20	435	Rahuman	600	90	690
01.31		Post to general ledger	1 400	210	1 610

Write the journal entry to record the posting sales of January from journal to the general ledger.

**General Journal**

<b>Date</b>	<b>Description</b>	<b>Debit Rs. '000</b>	<b>Credit Rs. '000</b>
.....	.....	.....	.....
.....	.....	.....	.....

**13.** Dumindu PLC is a company which sells motor vehicles and the value of stocks of this company was Rs. 500 million as at 31.03.2021. A stock worth Rs. 100 million included in that was estimated to sell at s. 75 million due to a technical problem of such vehicles. In order to sell at that price, company has to incur a modification cost of Rs. 15 million. write the journal entry to record Closing stock

**General Journal**

<b>Date</b>	<b>Description</b>	<b>Debit Million</b>	<b>Credit Million</b>
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....

**14.** The trial balance of Prashan's business as at 31.03.2021 did not agree and subsequent investigation revealed the following?

- (1) Total of the discount column Rs. 6 000 of cash payment journal has been credited to both discount received account and debtors control account
- (2) Credit purchase of Rs. 50 000 from Dulanga has been recorded in his account of Creditors ledger as Rs. 500.
- (3) Dishonor of a deposited cheque of Rs. 20 000 which was properly recorded in the general journal has not been recorded in cash account but this was properly recorded in the debtors a control account.

State on which side of the trial balance the difference was occurred and the amount of the difference.

..... column value Rs. ....

15. Following information relevant for the year ended 31.03.2018 of Susil's business

	Rs. '000
Equity as at 31.03.2021	670
Assets and Liabilities as at 01.04.2020	
Non-current assets	500
Current Assets	50
Total liabilities	185
Goods drawings during the year ended 31.03.2021	50

During the year ended 31.03.2021 Susil invested Rs. 140 000 as additional capital using his personal bank account.

Profit for the year ended 31.03.2021 is Rs. ....

(Total marks 45)

## PART II

01. Following are the extracts of the statement of financial position of the Vihanga's business as at 01.03.2021

	(Rs. '000)
Furniture	1 200
Provision for depreciation on Furniture	480
Inventory	50
Debtors	100
Provision for doubtful debts	10
Creditors	400
Cash	60

Following transactions has been occurred in the month of March

- Received Rs. 20 000 in cash to settle the debtors balance of Rs.30 000 & remaining amount was written off as bad debts
- Rs. 25 000 worth of stock was sold for Rs. 40 000 on cash basis
- Purchased goods Rs. 40 000 on credit basis
- Paid to creditors Rs. 45 000, Discount received Rs. 5 000
- Rs. 40 000 worth of stock was sold for Rs. 60 000 on credit basis
- Owner withdraw Rs. 15 000 worth of stock for her personal use
- Paid operational expenses Rs. 24 000 in cash
- Rs. 10 000 invoiced price goods were returned by the customer cost of those goods was Rs. 6 000

Followings should be adjusted as at 31.03.2021.

- A 10% provision for doubtful debts to be made on the month end balance of debtors
- Furniture is to be depreciated 20% on cost per annum
- Accrued operational expenses for the month of March Rs. 6 000

## Required

(i) Calculate the equity as at 01.03.2019 by using opening balances

(ii) Show the impact of the above transaction No: 1 – 8 (with values) and state whether each value increase or decrease in front of the value. (Use the following format)

	Asset	=	Equity	+	Liabilities
Balances as at 01/03					
Transaction (1)					
Transaction (2)					

(iii) calculate the net profit/loss of the business using net assets for the month of March

(25 marks)

**02.** The bank column in the cash book of Vasana Trading Co. showed a debt balance of Rs. 14,000 and the bank statement showed a credit balance of Rs. 42,500 on 31.03.2020. Subsequent examination revealed the following.

- (i) A cheque of Rs. 14,500 deposited in the cash book on 30.03.2020 was not recorded in the bank statement
- (ii) A cheque of Rs. 50,000 has been directly deposited by a customer in the bank account on 25.03.2020. This amount was not recorded in the cash book till 31.03.2020
- (iii) Cheques amounting to Rs. 15,000 and Rs. 20,000 issued to a supplier were not presented to the bank for payment till the end of March.
- (iv) A cheque received from a customer for Rs. 32,000 was deposited in the bank on 26.03.2020. This cheque was dishonoured. However, this dishonoured cheque was not recorded in the cash book till 31.03.2020.
- (v) Bank debit tax of Rs. 500 and standing order payment for owner's life insurance premium of Rs. 9,500 appeared in the bank statement were not recorded in the cash book till 31.03.2020

**Required:**

- 1. Record the relevant transactions in the cash control account showing the adjusted cash balance on 31.03.2020
- 2. Prepare the bank reconciliation statement for the month of March 2020

**(10 Marks)**