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 கல்விப் பொதுத் தர்பரப் 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 02

PART I

01. Which of the following statement is/are correct in relation to the general purpose financial statement.

- A - Provides information to the all stake holders to make decisions.
- B - Provides historical information.
- C - Prepared according to the standards and other legal requirement.

- 1. Only A
- 2. A and B Only
- 3. A and C Only
- 4. B and C Only
- 5. All A,B and C

(.....)

02. Imposition of carbon tax on vehicle by the government is related to the,

- 1. Economical & Political Environment.
- 2. Social and cultural Environment.
- 3. Legal Environment.
- 4. Technical and professional Environment.
- 5. Technological Environment.

(.....)

03. Following information is related for the year ended 31/3/2021 is taken from the books of Janahitha traders.

	Rs. '000'
Increase of liability during the year	850
Additional capital contribution	275
Drawings	25
Loss for the year	(100)

According to the above information what is the increase of assets during the year.

- 1. Rs. 950,000
- 2. Rs. 1,000,000
- 3. Rs. 1,025,000
- 4. Rs. 1,050,000
- 5. Rs. 1,250,000

(.....)

04. Two transactions occurred in Sumudu traders during March 2021 are given below.

- Paid loan instalment of Rs.50 000 from the personal funds of the owner. It included an interest of Rs.5000.
- Issuing a new cheque of Rs.10 000 for the settlement of dishonored cheque issued to pay electricity expense. Dishonored cheque had been correctly accounted.

Which one shows the net impact of above transaction to the accounting equation.

	(Assets)	= Equity	+ Liabilities
1.	-10,000	5,000	-15,000
2.	-10,000	-35,000	-45,000
3.	-10,000	-45,000	-55,000
4.	-15,000	-45,000	-60,000
5.	-60,000	-15,000	-45,000

(.....)

05. Statements given below are the ideas of three students regarding accounting process.

A - Transactions are recorded in the prime entry books and then posted to the ledger accounts.

B - It assures the accuracy of accounting process, by being trial balance is equal.

C - Credit sales of all assets are recorded in the sales journal.

Which of the above statement/Statements is/are correct.

1. Only A
2. A and B Only
3. A and C Only
4. B and C Only
5. All A,B and C

(.....)

- Use following information when answering questions no 6 and 7.

Transactions occurred in Susils business are given below.

- 01/04/2021 - Goods costing Rs. 100 000 was sold to piyal by keeping profit margin of 20% at selling price.
- 05/04/2021 return inwards made by Piyal Rs. 25 000
- 06/04/2021 Piyal settled his due amount after deducting Rs. 5 000 as discount.

06. Select the answer respectively shows the source documents and prime entry books used to record above transactions.

Source documents

Prince entry books

- | | |
|-----------------------------------|--|
| 1. Invoice, Debit note, Receipts | Sales journal, Return inward journal, Cash receipts journal |
| 2. Invoice, Debit note, Receipts | Sales journal , Cash receipts journal, Return inward journal |
| 3. Invoice, Receipts, Debit note | Sales journal , Return inward journal, Cash receipts journal |
| 4. Invoice, Credit note, Receipts | Sales journal , Cash receipts journal, Return inward journal |
| 5. Invoice, Credit note, Receipts | Sales journal , Return inward journal, Cash receipts journal |

(.....)

07. Net increase of total assets of Susil's business due to above transactions is,

1. Rs. 10,000
2. Rs. 15,000
3. Rs. 70,000
4. Rs. 75,000
5. Rs. 80,000

(.....)

08. Bank overdraft of Radha traders as at 31/03/2021 was Rs. 25 000, but it was not equal to the balance of the bank statement. Following reasons for the difference were detected later.

- Cheque issued to pay advertising expense of Rs. 12 000 had been recorded in the cash payment journal as Rs. 21 000.
- Cheque received from Piyal amounting Rs. 14 000 has dishonored, this had not been recorded in the cash control account.
- Cheque issued to Anura Rs. 20 000 had not been presented for the payment.
- Insurance expense of Rs. 10 000 paid on standing order had not been recorded in the cash control account.

Balance appeared in the Bank statement is,

- | | |
|-----------------------------------|---------------------------|
| 1. Favorable balance of Rs.8 000 | 2. Overdraft of Rs.10 000 |
| 3. Overdraft of Rs.20 000 | 4. Overdraft of Rs.30 000 |
| 5. Favorable balance of Rs.28 000 | (.....) |

09. Total of Petty Cash payment of June and July was Rs. 10 400. On 1st of July petty cash imprest was increased by 1 000 and reimbursed Rs.5600 on that date. Petty cash imprest before increasing was Rs. 5000. Cash in hand (petty cash balance) with the petty cashier at the end of July is,

1. Rs. 200
 2. Rs. 600
 3. Rs.1000
 4. Rs.4600
 5. Rs. 5800
- (.....)

10. Which one of the following accounting concept relevant to record sales in advance of Rs. 5 000 as a liability for an order worth Rs. 50 000.

- | | | |
|---------------------|------------------------------|------------------------|
| 1. Accrual Concept | 2. Prudence Concept | 3. Realization Concept |
| 4. Matching Concept | 5. Money Measurement Concept | |
- (.....)

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

11. State whether following statements are true or falls.

Statements	True / False
A Main purpose of accounting is to provide information to the stakeholders.	
B Financial Accounting provides historical and predicted information, which are required to make decisions.	
C General purpose financial statements are prepared according to the standards and other legal requirements.	
D Accrual basis is used as the basic assumption when preparing general purpose financial statements.	

12. State the prime entry book and source document relevant to following transactions.

	Prime entry book	Source document
1. Purchase of furniture for Rs. 150 000 on credit by a furniture manufacturing business for the use of the business.
2. Receiving discount of Rs. 5 000 when settling a creditor.

13. State four transactions recorded in the general journal.

1. 2.
3. 4.

14. Write double entries to record following transactions.

1. Issuing new cheque of Rs. 15 000 for the settlement of dishonored cheque issued to pay electricity expense. (Dishonour of cheque had been correctly recorded)

.....
.....

2. A creditor worth Rs. 10 000 was settled by the personal funds of the owner.

.....
.....

15. Bank current Account balance as per bank statement as at 31/03/2021 was Rs. 300 000. it was not equal to the cash control account balance at that date. Reasons for the difference were as follows.

1. unrepresented cheques Rs. 25 000
2. unrealized cheques Rs. 35 000
3. Insurance expense paid on standing orders Rs. 5 000

i) What is the balance appeared in the cash control Account as at 31/03/2021 **Rs.**

ii) What is the balance of cash control account that should be shown in the statement of financial position prepared as at 31/03/2021 ? **Rs.**

(Total marks 45)

PART II

01. Saranga Dissanayake has started a transport service called “Sahana Office Transport” on 01.01.2021 by investing Rs. 100 000. Transactions related for the three months ended 31.03.2021 are given below:

- 01/01 - Payment of Rs. 5 000 for printing receipts
01/02 - Invested a motor vehicles of Rs. 1 200 000 which was used by Saranga. It was estimated that salvage value is not available at the end of useful life time 10 years.
02/07 - Incurred a fuel expense of Rs. 10 000 for a person tour of Saranga
02/10 - Receipt of other income Rs. 50 000
03/07 - Vehicle maintenance expense Rs. 20 000 (Out of that Rs. 5 000 has not yet been paid)
03/31 - Receipt of service income for the first quarter Rs. 600 000
Fuel expense for the first quarter is Rs. 200 000 and only Rs. 150 000 was paid
03/31 - Paid Rs. 75 000 as driver’s salary (monthly salary Rs. 25 000)

Required:

- (1) Show the impact of these transactions (with value) in the accounting equation (Use a format similar to one given below)

Date	Assets	Liabilities	Equity

- (2) Income statement for the quarter ended 31.03.2021

(15 Marks)

02. Subodha retail shop was commenced on 01/04/2020. Draft financial statement has been prepared for the year ending 31/03/2021.

Assets, Liabilities and retained profit as 31/03/2021 are given below.

	Rs. 000
PPE	4000
Trade receivables	240
Stock (as per stock records)	120
Cash	160
Retained earnings	940
Bank loan	170
Trade payables	380
Other payables	30

here are some errors due to not maintaining ledger accounts properly. Those were revealed later.

Omissions

1. Selling goods for Rs. 30,000 which the cost was Rs. 20,000.
2. Goods worth of Rs. 40,000 has been returned by the customer. Cost of these goods was Rs. 32,000.
3. Receivable Rs. 20,000 from a debtor has been set off with a payable amount (creditor) of Rs.30,000 and settling remaining by cash.
4. Dishonouring a cheque of Rs. 27,000 received by a debtor. (10% has been deducted as cash discount)
5. The maintenance expense of the business is Rs. 25,000 and Rs. 20,000 out of above has been settled by Subodha using his personal money and remaining has been settled by the business.
6. The telephone expense in the month of March 2021 is Rs. 15,000 and only 10,000 has been settled by cash.
7. Paid Rs. 45,000 by Subodha from his personal money to settle a creditor of the business of Rs. 50,000.
8. Sold an office equipment for Rs. 50,000 which the carrying amount was Rs. 40,000.

Posting errors

09. The paid loan installment of Rs. 30,000 including the interest of Rs. 10,000 has been deducted from the bank loan.
10. Received Rs. 25,000 as an advance for a sales for the month of April 2021 has been recorded as sales.

Required

- 1) Show the impact of these transactions 1-10 (with value) in the accounting equation and state whether each value increases (+) or decreases (-) in front of the value (Use a format similar to the one given below)

	Assets				Liabilities			Equity	
Transac tion	PPE	Inventory	Trade Receivables	Cash	Trade payable	Other payables	Bank loan	Capital	Retained Profit
1.									
2.									
.....									

- 2) Calculate the total equity as at 31/03/2021 of the business after rectifying above errors.
- 3) Adjusted statement of financial position as at 31/03/2021.

(30 Marks)