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 கல்விப் பொதுத் தரப்பரப் பத்திர (உயர் தர)ப் பரீட்சை - 2021 ஓசஸ்ற்
 General Certificate of Education (Adv. Level) Exam - August 2021

නව නිර්දේශය
 புதிய பாடத்திட்டம்
 New syllabus

ගිණුම්කරණය I
 கணக்கடு I
 Accounting I

33 E I

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 ஒரு மணித்தியாலங்கள்
 One Hour

Instructions:

- *Answer all questions in Part II
- *Relevant workings should be attached to the answer script

Paper No 12

PART II

01. Following balances are extracted from Sirisada Traders as at 01.01.2021
 Rs,000

Property plant and equipment	900
Inventories	100
Trade receivables	150
Cash	100
Trade payables	80
12% bank loan	200
Retained earnings	120

Following transactions were taken place during the month of January

1	05.01	Cash Purchases Rs.80 000
2	06.01	Rs. 60 000 worth of stock sold for Rs.80 000 on cash
3	10.01	Credit purchases Rs.100 000
4	12.01	Cheque received from debtor Rs.45 000 after allowing 10% discount
5	15.01	Sold goods costing Rs. 80 000 on credit, subject to profit markup 25% on cost
6	20.01	Paid to creditor by cheque to settle Rs. 60 000 subject to 10% discount
7	23.01	Cheque received on 12.01.2021 has been dishonored by bank
8	25.01	Paid bank loan installment Rs.12 000 including monthly interest
9	27.01	Cash drawing Rs.8 000
10	30.01	Stock returned by customer which was sold for Rs.12,500 (selling rice) on 15.01.2021

Additional Information

- Property plant and equipment should be depreciation on cost 10% per annum

Required:

- Record the effect of the transactions to the accounting equation using the following format

Date	Assets				Liabilities		Equity	
	PPE	Inventory	Trade Receivable	Cash	Trade Payables	Bank Loan	Capital	Retained Profit

- Income statement for the month ending 31.01.2021

(30 Marks)

02. Following information is extracted from Eth yahana PLC in relation to cash control account and bank statement.

Total debit and total credit of bank statement in the month of August Rs. 160 400 and Rs. 264 800 respectively

- Un-presented and unrealized cheque as at 01.08.2021 Rs. 25 000 and Rs. 22 400
- Un-presented and unrealized cheque as at 31.08.2021 Rs. 29 000 and Rs. 33 200
- Entries which are recorded in the bank statement at the end of the month of August (this has not yet been recorded in cash control)
 - Bank charges Rs. 3 200
 - Overdraft interest Rs. 4 000
 - Direct remittance Rs. 8 000
 - Interest income Rs. 7 200
- A cheque worth of Rs. 113 000 has been recorded in the cash payment journal as Rs. 31 000
- A cheque worth of Rs. 24 000 related to another company has been debited to the business bank account in error by the bank
- Balance of the bank statement as at 31.07.2021 Rs. 7 600

Required:

- 1) Bank reconciliation statement as at 31.07.2021
- 2) Bank reconciliation statement as at 31.08.2021
- 3) Cash balance to be reported in the statement of financial position as at 31.08.2021

(20 Marks)

03. Following errors and omission were revealed when auditing financial reports of the business.
Drafted profit was Rs. 147 000

- i. Sales journal has been under casted by Rs. 18 000
- ii. Total of the discount column of cash receipt journal Rs. 27 000 has been recorded in the discount received account.
- iii. Return inward account has been over valued by Rs. 5 000
- iv. Total of cash payment to creditor column of cash payment journal Rs. 25 000 has not been recorded in the creditors control account.
- v. Rent income received Rs. 17 000 has been recorded in the rent expenses account

Required:

- 1) Journal entries for correction of errors
- 2) Profit correction statement

(20 Marks)

04. Following information is related to Property Plant and Equipment of Nuwan PLC as at 01.04.2020

Assets	Cost (Rs. '000)	Purchase Date	Residual Value	Expected useful life (Years)
Buildings	7 000	01.04.2010	3 000	25
Motor Vehicles	10 000	01.10.2015	2 000	8

These assets are depreciated at cost on straight line method

The following transactions and events took place during the year ending 31.03.2021

- i) Buildings were renovated by incurring Rs. 1 200 000 on 01.04.2020. As a result the total useful life of the building was increased by 5 years
- ii) A new motor vehicle was acquired for Rs. 7 000 000 by exchanging old motor vehicle on 01.01.2021. The balance of Rs. 2 000 000 was paid in cash. New motor vehicle has a useful life of 10 years and the residual value is Rs. 3 000 000

Required:

- 1 Annual depreciation for each assets
- 2 Motor vehicle exchange account
- 3 The effect on the net profit of the above transactions and events