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

නව නිර්දේශය
 புதிய பாடத்திட்டம்
 New syllabus

ගිණුම්කරණය I
 கணக்கீடு I
 Accounting I

33 E I

පැය එකයි
 ஒரு மணித்தியாலங்கள்
 One Hour

Instructions:

22 Weeks more

Paper No 26

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

PART I

01. Transactions took place during the first month of Jagath's business which started on 01.01.2019 by investing Rs.150 000 were given below:

- 03/01 Credit purchases of Rs. 100 000
- 07/01 Jagath took Rs. 10 000 for his personal use
- 09/01 Paid Rs. 50 000 to creditors
- 20/01 Sold goods worth 30 000 for Rs. 50 000
- 30/01 Received Rs. 20 000 from debtor

Which of the following equation shows values assets, liabilities and equity as at 31st January

	Assets	=	Equity	+	Liabilities
1	160 000	=	110 000	+	50 000
2	190 000	=	140 000	+	50 000
3	210 000	=	160 000	+	50 000
4	230 000	=	160 000	+	70 000
5	240 000	=	190 000	+	50 000

(.....)

02. A business purchased a stock of 6 000 units for Rs. 300 000 and sold 5 000 units out of that for Rs. 80 each. What would be the gross profit earned from this transaction.

- 1. Rs. 100 000
- 2. Rs. 180,000
- 3. Rs. 400,000
- 4. Rs. 150,000
- 5. Non of the above

(.....)

03. The trial balance prepared as at 31.03.2019 in Sameera's business was not tallied. Following reasons were identified later.

- Discount received of Rs. 500 has been debited to discount allowed account as Rs. 1 500
- Rent income of Rs. 3 500 has been debited to the trial balance
- Insurance payment of Rs. 400 has been recorded in the account as Rs. 1 400

Which of the following should be the difference of the trial balance due to the above errors

- (1) Deficit amount in the Debit side Rs.10 000
- (2) Deficit amount in the Debit side Rs.6 500
- (3) Deficit amount in the Debit side Rs.17 000
- (4) Deficit amount in the Credit side Rs.10 000
- (5) Deficit amount in the Credit side Rs.6 500

(.....)

04. The following information relevant for bank transactions of Janaki enterprise was given below;

Overdraft as per bank statement	- Rs.39 200
Incorrect debit entry in the business cash control	- Rs.1 200
Un-realized cheques	- Rs.75 000
Un-presented cheques	- Rs.225 000

What would be the correct cash control balance as per the ledger according to the above information?

- (1) Credit balance of Rs. 189 200 (2) Debit balance of Rs. 110 800
 (3) Credit balance of Rs. 109 600 (4) Credit balance of Rs. 188 000
 (5) Non of the above

(.....)

05. Sagari started a business on 01.04.2019 by investing a capital of Rs. 500 000. Total assets and liabilities of the business as at 31.03.2020 was Rs. 800 000 and Rs. 100 000 respectively. Earned a profit of Rs. 130 000 for the year ended 31.03.2020.

Which of the following statement is correct.

- (1) Sagari invested Rs. 200 00 as additional capital during the year
 (2) Sagari withdrawn Rs. 30 000 during the year
 (3) Profit for the year was Rs. 300 000
 (4) Sagari invested Rs. 70 000 as additional capital during the year
 (5) Sagari invested Rs. 30 000 as additional capital during the year

(.....)

06. List of creditor's balance of Rs. 250,000 as at 31.03.2019 of Rahal PLC was not agreed with Creditor's control account balance as at same date. Later following discrepancies were located.

- Total of Purchase return journal Rs. 15,000 was not extracted to creditor's control account
- Opening credit balance of creditors control account was understated by Rs. 4,000
- Credit Purchases of Rs. 22,000 was posted to personal account of creditors as Rs. 13,000

Creditor's control account balance as at 31.03.2019 before correcting errors were ?

- 1) Rs. 270,000 2) Rs. 250,000 (3) Rs. 273,000
 4) Rs. 265,000 v) Rs. 274,000

(.....)

07. The following details have been given regarding the stocks of a company for March 2018

Date	Balance	Quantity (Units)	Cost per unit (Rs.)
1/3/2018	Balance	100	200
12/3/2018	Purchase	500	300
13/3/2018	Purchase return(from current month purchases)	100	?
25/3/2018	Sales	?	?
31/3/2018	Balance	100	?

According to LKAS 02 (Inventories) what is the cost of sales as per the first in first out method and weighted average method?

	First in first out method (Rs. '000)	Weighted Average method (Rs. '000)
1)	80	110
2)	100	112
3)	110	112
4)	120	113
5)	120	123

(.....)

Use the following information in answering questions No: 08 and 09

Amith and Sumith are running a partnership sharing profit and losses in the ratio of 3:2 Damith was admitted to that partnership as at 01.04.2018 as a new partner. Damith introduced Rs. 1,500,000 in cash as capital and Goodwill was estimated as Rs.600,000. Goodwill adjusted through partner's capital accounts and new profit sharing ratio of the partnership was 3:2:1 respectively. Annual partner's salary was Rs.150,000 per partner.

Total equity and capital account balance of the partnership as at 31.03.2018 are as follows:

	Amith (Rs. 000)	Sumith (Rs. 000)
Total equity	6,000	4,000
Capital account	5,000	4,500

The amount of cash obtained by Damith as drawings for the year ended 31.03.2019 was Rs.120 000 and his current account balance as at 31.03.2019 was Rs.330 000. Other partners did not obtain any amount of drawings during the financial year of Rs. 2018/2019

08. The profit of the partnership before appropriation of profits for the year ended 31.03.2019

- 1)Rs.300 000 2)Rs. 450 000 3)Rs. 2,250 000
4) Rs. 325 000 5)Rs.1 800 000

(.....)

09. Which of the following answers shows total equity of the partners (Amith, Sumith & Damith) as at 31.03.2019 was?

- 1) Rs. 11 000 000 2) Rs. 10 000 000 3) Rs.11 330 000
4) Rs. 13 630 000 5) Rs. 9 500 000

(.....)

10. Provision for EPF and ETF of Ahankara PLC had been paid only for nine months for the year ended 31.03.2019. ETF payable as at 31.03.2019 was Rs. 900. EPF and ETF contribution of employer were 15% and 3% respectively. Employee contribution was 10%. EPF and ETF is calculated based on gross salary of Employees.

Total employee related expense of the business was for the year ended 31.03.2019 was?

- 1) Rs. 141 600 2) Rs. 132 000 3) Rs. 120 000
4) Rs. 138 000 5) Rs. 150 000

(.....)

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

11State the most suitable concept for the following situations

- A - A favorable situation which does not prevail in financial reporting should not present in financial statement.
B - All important and highlighted items should disclosed in financial statements
C - Income should recognized only if it is earned realized or if it is possible to realize
D - In accounting for income relevant for the period without considering cash receipt or Payment

Item	Accounting Concept
A
B
C
D

12 Name prime entry book and source documents used to record the following transactions.

Transaction	Prime Entry book	Source Document
Investment of money as capital		
Return of goods purchased on credit		
Purchased of stationery on credit		
Provision for doubtful debts		

13. You are provided with a few cost items related to a firm that manufactures a uniform furniture item. State whether each of them is manufacturing costs or non manufacturing costs.

	Cost item	Manufacturing Costs/Non manufacturing Costs(period cost)
(i)	Timber for furniture
(ii)	Brushes for painting
(iii)	Salaries for factory manager
(iv)	Paint for furniture

14. Nethmi Limited capitalized its retained earnings in the ratio of one new share for three existing shares by way of a bonus issue. The book values of its shareholder's fund before the bonus issue are given below.

	Rs. ' 000
Stated ordinary share capital (Rs. 10 each)	500 000
Revaluation reserve	220 000
Retained earnings	310 000

The total of book values of its shareholder's fund immediately after the bonus issue will be: Rs.

15. The following information relates to a company for June 2019

Sales	List price (Rs.)	Trade discount
On credit	10 000 000	10%
On cash	8 000 000	10%

A 10% cash discount is allowed to the customers only if the dues are settled within 20 days from the date of sale. The company was able to collect only 50% of the amount due within this period. State the journal entry to record the discount allowed by the company during June 2019?

.....

(40 Marks)

PART II

- Answer all questions
- Relevant workings should be attached to the answer script

(01) 01. The receipts and payments account for the year ended 31.03.2019 of Sahana Welfare Society, a nonprofit organization established for well being of people in the province is given below:

Receipts and Payments Account

Balance B/F	25 000	Postage and telegrams	15 000
Entrance Fees	130 000	Stationery expenses	20 000
Donations	118 000	Computer Purchases (Obtained on 30.09.2018)	90 000
Received subscription	200 000	Transport charges	3 000
Received interest	5 000	Electricity Charges	7 000
		10% Fixed Deposits	69 000
		Expenses for celebrations	24 000
		Balance C/D	250 000
	478 000		478 000
Balance B/F			

Additional Information:

- (1) The number of members for the year ended 31.03.2019 was 150 including life members of five and the annual subscription fee per member was Rs. 2 000
- (2) The following assets and liabilities as at 31.03.2019 and 31.03.2018 are given below:

Description	As at 31.03.2018 Rs.	As at 31.03.2019 Rs.
Life membership	700 000	?
Land and Building	1 000 000	1 000 000
Furniture and Fittings	50 000	49 000
Receivable subscription fees	40 000	?
Subscription received in advance	4 000	8 000

- (3) The society has donated Rs. 50 000 to a member family affected by floods. this has not been recorded in the books of the Society
- (4) As a fund raising project the Society organized a drama and the following cash receipts and cash payments related to the show:

Sale of tickets	Rs.	300 000
Rent for the hall	Rs.	25 000
Expenses related to drama	Rs.	70 000
Refreshments for the guests	Rs.	8 000
Contributions from sponsors	Rs.	90 00
- (5) On 2015.04.01 five members have obtained the life membership by paying total of Rs. 1 000 000 to the Society. This has been recognized in the income over 10 years.
- (6) The useful life of the computers was 5 years and its residual value was Rs. 10 000

Required:

Prepared the following for the year ending 31.03.2019

- (1) Subscription fee account
- (2) Income statement (drama festival)
- (3) Income statement (club)
- (4) Statement of Financial Position as at 31.03.2019

(30 Marks)

02 The books of account of Pubudu Enterprises were destroyed by a fire that took place on 31.12.2020. However, Pubudu was able to extract the balance sheet as at 31.12.2019 from the tax file at the Department of Inland Revenue.

Balance sheet as at 31.12.2019

	Rs.		Rs.
Capital	200,000	Non-current Assets	
Retained profit	62,100	(net value)	
	262,100	Land and buildings	180,000
10% long term loan	30,000	Furniture and equipment	80,000
			260,000
Current liabilities		Current Assets	
Creditors 11,000		Stocks 18,800	
Accrued loan interest 1,500	12,500	Debtors 16,200	
		Bank balance 9,600	
			44,600
	304,600		304,600

Additional information is given below:

- Depreciation is charged on buildings at 10% per annum and furniture and equipment at 25% per annum on net book value. The value of land and buildings includes a land value of Rs. 100,000.
- The bank statements revealed that cheques amounting to Rs. 178,000 have been received from the debtors during the year. All payments of the Enterprises are effected through the bank account and following payments have been made during the year.

	Rs.
Wages	36,000
Motor vehicle hire charges	4,000
Loan interest	3,000
General expenses	3,000
Payment to creditors	45,250

- The loan interest is payable semi annually on 30th June and 31st December. The loan interest paid during the year includes the payment in respect of accrued interest as at 31st December 2019. The loan interest payable on 31st December 2020 has been paid on 10th January 2021.
- Other balances as at 31.12.2020

	Rs.
Creditors	9,500
Debtors	17,500
Stocks	16,000

Required

- Profit and loss account for the year ending 31.12.2020
- Balance sheet as at 31.12.2020

(30 Marks)