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சபரகமுவ மாகாண கல்வித் திணைக்களம்
Sabaragamuwa Provincial Department of Education

පළමු වාර පරීක්ෂණය 2018

11 ශ්‍රේණිය

முதலாம் தவணைப் பரீட்சை 2018

தரம் 11

First Term Test 2018

Grade 11

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வணிகமும் கணக்கீட்டுக் கல்வியும் I
Business and Accounting Studies I

පැය 1 යි
1 மணித்தியாலம்
1 hour

❖ Answer for All Questions.

PART I

Refers following description to answer question 1 – 6.

Dilum Malhewa, an accountant conducts a business of selling gifts and selling items using the name of “Dilum Palace”.

It becomes very popular and succeed business in very short time due to fair prices for local and imported products and the amicable employees.

1) Type of business according to the products offered by Dilum fashions is,

1. Sale trader
2. Foreign business
3. Good manufacturing
4. Service providing

2) A strength of business is,

1. Selling products to local and foreign market.
2. Owner is an accountant.
3. Selling products at reasonable prices.
4. Amicable service vended by employees.

3) Factor of production in which gift items are included is,

1. Land
2. Labour
3. Capital
4. Entrepreneurship

4) An advantage of Dilum Fashion is,

1. Ultimated liability
2. Independent decision making
3. Long term existence
4. Having legal personality

5) Select the correct statement relating to the registration of the name of this business.

1. Name to be registered
2. Name should not be registered
3. Name to be registered under register of companies
4. Name to be registered under the Grama Niladari of the area

6) Which business are with legal personality among the business below,

- A. Sole Proprietorship
- B. Partnership
- C. Incorporated companies
- D. State corporations

- | | |
|------------|------------|
| 1. A and B | 2. B and C |
| 3. C and D | 4. D and A |

7) Not a telebanking service.

1. Cheds the account balance
2. Recording transaction using computers
3. Cash transfers among accounts
4. Apply for cheque book

8) Select a retail sales.

1. Conduct a canteen in an exhibition.
2. Selling vegetables by a farmer to Dambulla Economic Centre
3. Selling sweets by the producer to hotels in towns
4. Selling products by Elephant House Company among its agents

9) Following features of retail and whole sales

- A – Offer different ranges of products
- B – Relatively row selling price
- C – Offer trade discounts
- D – Closeness to consumers

Features of whole sales are,

- | | | | |
|------------|------------|------------|------------|
| 1. A and B | 2. A and C | 3. B and C | 4. B and D |
|------------|------------|------------|------------|

10) A bank in which a current account can be opened is,

1. National Savings Bank
2. Hatton National Bank
3. State Mortgage and Investment Bank
4. Regional Development Bank

11) A crossing made on a cheque given below.

A/C payee only
Peoples' Banks - Wellampitiya

Correct statement on above is,

1. Can get money from the counter of Wellampitiya Branch of Peoples' Bank
2. Have to deposit in an account in Wellampitiya Branch of Peoples' Bank
3. Have to deposit in an account maintained by the payee in Wellampitiya Branch of Peoples' Bank
4. Can deposit in any account in any branch of Peoples' Bank

12) Select the false statement on life insurance

1. Additionally received benefits such as interest bonus
2. Can be transferred to other person
3. Can collect insured amount
4. No impact from Indemnity

13) An Electronic – Verbal medium of communication is,

1. Seminar 2. Internet 3. e – Mail 4. Telephone

14)

Column A	Column B
1. Main roads	A) Help for international trade
2. Air ways	B) Can transport huge quantity and big number of passengers
3. Water ways	C) Can use up to destination

Correct matching of column A and B are,

- 1). 1 – B 2 – C 3 – A
- 2). 1- A 2 – B 3 – C
- 3). 1 – C 2 – A 3 – B
- 4). 1- C 2 – B 3 – C

15) Achieving the aim as expected is A and, use of minimum resources to get maximum usage from them is B.

Suitable terms for A and B are

A	B
1. Management	Efficiency
2. Effectiveness	Management
3. Effectiveness	Efficiency
4. Efficiency	Effectiveness

16) Followings are some changes made by business

- | | | |
|----------------------------|---|---|
| 1. Kalyani Bookshop | – | Price of all stationaries are decreased by 5% |
| 2. Thulsi Yougurt Produces | – | Introduce Non – fat and Non- sugar yourgurt |
| 3. ABC Bank | – | 5% additional interest for deposits made by senior citizens |
| 4. Arunodaya Youth Club | – | Internet facility for library |

Target customers in above are,

1	2	3	4
(1) Students	pensioners	Diabetic patients	members
(2) Pensioners	Diabetic patients	members	Pensioners
(3) Members	Students	Diabetic patients	Pensioners
(4) Students	Diabetic patients	Pensioners	members

17) Select the transactions which recorded in ledger accounts

- A. Obtained a bank loan of Rs.100000
- B. Select office equipment of Rs.500000 that to be purchase
- C. Decided to recruited a manager for a monthly salary of Rs.50000
- D. Credit purchase of Rs.5000 worth stationary

- | | | | |
|------------|------------|------------|------------|
| 1. A and B | 2. B and C | 3. A and D | 4. B and D |
|------------|------------|------------|------------|

18) Status of accounting equation was

Assets	=	Quality	+	Liabilities
400000	=	300000	+	100000

Select the status of accounting equation after paying insurance premium of Rs.20000

	Assets	=	Quality	+	Liabilities
1.	420000	=	300000	+	120000
2.	380000	=	280000	+	100000
3.	420000	=	320000	+	100000
4.	400000	=	280000	+	120000

- 19) Select the transaction which caused to increase equity
1. Electricity bill payment of Rs.5000
 2. Purchase of a machine
 3. Cash sales of Rs.8000 using stock of Rs.10000
 4. Credit sales of Rs.25000 using stock of Rs.20000
- 20) Drawing account is
- | | |
|----------------|------------------|
| 1. Expense A/C | 2. Asset A/C |
| 3. Equity A/C | 4. Liability A/C |
- 21) Double entry rule of increase – Dr and decrease – Cr is applied for
1. Income and Equity A/C
 2. Assets and Liability A/C
 3. Assets and Expense A/C
 4. Income and Expense A/C
- 22) Account always with a debit balance is
- | | |
|----------------------|-----------|
| 1. Discount received | 2. Bank |
| 3. Creditor | 3. Debtor |
- 23) Rs.15000, received from debtors was deposited into bank account on the same day. Double entry is,
1. Cash Dr 15000, Bank Cr 15000
 2. Bank Dr 15000, Cash Cr 15000
 3. Bank Dr 15000, Debtor Cr 15000
 4. Cash Dr 15000, Debtor Cr 15000
- 24) Prime entry book with at dual task is,
- | | |
|--------------|--------------------|
| 1. Cash book | 2. Petty cash book |
| 3. Bank A/C | 4. Purchase book |
- 25) Shiwantha purchase goods for reselling on cash and credit terms and sold them on credit only for trusted customers prime entry book to be maintained.
1. Cash book, General journal, Sales journal
 2. Cash book, Purchase journal, Sales journal
 3. Cash book, Purchase journal, General journal
 4. General journal, Purchase journal, Sales journal
- 26) Entries in cash book are made by following
1. Liability principle
 2. Income principle
 3. Asset principle
 4. Equity principle

27) Occasion in which cash discount can be obtained is,

1. Cash purchases
2. Cash purchases using a cheque
3. Due settlement to supplier on time
4. Credit purchases

28) Balance of petty cash control account as at 1/1/2018 was Rs.150 and Rs.2800 was spent for petty cash on 31/1/2018. Rs.700 was remained.

Petty cash imprest is

- | | |
|------------|------------|
| 1. Rs.2800 | 2. Rs.2950 |
| 3. Rs.3350 | 4. Rs.3500 |

29) Double entry for dishonored deposited cheque is,

1. Bank A/C	Dr	
	Dishonored cheque A/C	Cr

2. Cash	Dr	
	Dishonored cheque A/C	Cr

3. Debtor	Dr	
	Bank	Cr

4. Cash	Dr	
	Bank	Cr

30) Credit balance of bank statement should be equals to

1. Debit balance of cash book
2. Credit balance of cash book
3. Debit balance of Bank A/C
4. Credit balance of cash book

31) Credit balance of bank statement was Rs.22000 unrealized cheque of Rs.3250, Bank charges of Rs.450, unrepresented cheques of Rs.4000 and debtor remittances of Rs.1500 was available.

Balance bank account before adjusting was

- | | |
|-------------|-------------|
| 1. Rs.19300 | 2. Rs.20200 |
| 3. Rs.20450 | 4. Rs.23050 |

32) Select the correct statement about sales journal

1. All sales are recorded in sales journal
2. Total of sales journal was debited to sales A/C
3. Records all credit sales
4. Records credit sales of selling items

- 33) Transactions occurred in Gayani Furniture given below
- A. cash purchases of furniture Rs.1 000 000
 - B. furniture purchased on credit from Tharindu Rs.2 500 000
 - C. credit purchase of furniture of Rs.100 000 for personal use
 - D. credit purchase of furniture of Rs.50 000 from Harischandra PLC.

Transactions to be entered to purchase journal is

- 1. A and B
- 2. B and C
- 3. B and D
- 4. C and D

- 34) A computer purchased from Abans Company to use in business to be recorded in _____ A _____ referring the source document named _____ B _____

Suitable words for A and B are,

- 1. Purchase Journal and Invoice
- 2. Invoice and Purchase Journal
- 3. General Journal and Journal voucher
- 4. Journal voucher and General Journal

- 35) Correct side of account balance in trail balance is

- 1. Creditor – Debit
- 2. Discount allowed – Debit
- 3. Debtor – Credit
- 4. Discount received – Debit

- 36) Credit side to trail balance exceeded by Rs.15000 in the trail balance extracted. A reason for that can be,

- 1. Purchase journal was over casted by Rs.15000
- 2. Discount received of Rs.15000 was posted to discount allowed account
- 3. Interest income of Rs.15000 was posted to loan interest account
- 4. Sales journal was over casted by Rs.15000

- 37) Following entry was posted to make correction for an error

Cash	Dr 4000	
	Insurance	Cr 4000

Error occurred was,

- 1. Insurance payment was understated by Rs.4000
- 2. Insurance payment was not posted to insurance account
- 3. Insurance payment was not recorded in cash book
- 4. Insurance payment was twice posted

38) Debit and credit totals of trail balance are Rs.350 000 and Rs.345 000 respectively. Balance suspense account to be,

1. Debit Rs.5000
2. Credit Rs.5000
3. Debit Rs.10000
4. Credit Rs.10000

Use following details to answer question 39 and 40

Stock 1/ 1/ 2017	RS.9000
Purchases	Rs.51000
Sales	Rs.110000
Stock 31/ 12/ 2017	Rs.12500

39) cost of sales for the year ended 31/ 3/ 2017 was

1. Rs.47500
2. Rs.60000
3. Rs.62500
4. Rs.110000

40) Gross profit for the year ended 31/ 3/ 2018

1. Rs.47500
2. Rs.60000
3. Rs.62500
4. Rs.59000