

**Nalanda College – Colombo 10**

**Unit Evaluation**

Grade 10      Unit 7      Business Studies & Accounting

**Prime entry books**

- **Select the correct answers for question No. 01 – 03 from the given answers 1, 2, 3, 4.**

“Purchasing stock of goods worth Rs 5,000 for resale”

1) What is the prime entry book used to record the above transaction?

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|------------------|----------------------|
| I. Sales journal | II. Purchase journal |
| III. Cash book   | IV. General journal  |

2) What is the source document used in the above transaction?

- |                       |                     |
|-----------------------|---------------------|
| I. Receipt            | II. Purchase card   |
| III. Purchase invoice | IV. Payment voucher |

3) The source document used in credit sales is,

- |                      |                   |
|----------------------|-------------------|
| I. Sales invoice     | II. Sales voucher |
| III. Payment voucher | IV. Sales receipt |

4) Define prime entry books.

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5) The prime entry book plays an important role in accounting process. Explain 2 uses of the prime entry book.

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- **Answer No. 06 & No. 07 questions based on the following event.**

Vimali is a lady who is very good at food preparation. She has worked for a top food processing company for many years and decided to start her own food processing business to get the most out of her skills. Rs 15,000 worth of equipment was purchased on credit basis for the use of the business, and she also invested Rs 50,000 in the business. She also purchased food processing ingredients worth of Rs.20 000 on credit

6) Write down two prime entry books to be prepared by the business started by nimali based on the above incident.

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7) What is the source document used by nimalis business in purchasing of equipment?

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8) Below are some of the transactions that took place in sahan's business in January 2019.

01/01 Capital invested Rs 100,000

01/05 Purchase a stock of goods worth Rs 70,000 on credit basis

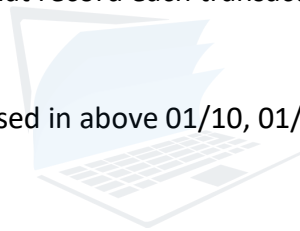
01/10 Sales on cash basis Rs 3,000

01/15 Selling a stock of goods Rs 5,000 on credit

01/18 Purchasing furniture on credit worth Rs 200,000 for business use

01/22 Paid electricity bill Rs 5000.

1. Write down the prime entry books that record each transactions given above
2. Write down the source documents used in above 01/10, 01/18 and 01/22 transactions



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