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			Grade 11 - First Term Test June 2021 පළමුවාර පරීකෂණය - 2021 - ජූනි - 11 ශේණිය Time: Three hours			
			Business and Acc වහාපාර හා ගිණුම්ක			
Nam	e:		C	lass:	Index No:	
			Business and Account	nting	Studies - I	
Not	e - A	Answer all questic	ons.			
	Iı	n each of the ques	stions 1 to 40 pick.one	of the	e alternatives (1), (2), (3), (4)	
	V	which you conside	er as correct or most ap	prop	riate.	
Ans	wer f	rom question no.	01 to question no. 04]	hv cor	nsidering, following information.	
				0,001		
Upe	ka wł	no followed a sew	ing diploma course star	ted a	small ready made garment known as	
Vila	sitha	which produces	garments for small kids	s and l	adies in her house. She supplied her	
prod	uctst	to neighbouring sl	nops, but at present she	receiv	ves more orders from other cities too.	
1			orkers to her garment.			
			102121			
01.	What	at is the need full	filled by Upeka's busi	ness.		
	(1)	Ladies frocks		(2)	Kids trousers	
	(3)	Clothes		(4)	Housing	
02.	Acc	ording to the natu	are of products, Upeka	's bus	iness is belong to;	
	(1)	partnerships		(2)	service providing businesses	
	(3)	commodity man	ufacturing businesses	(4)	Profit oriented businesses	
03.	An	opportunity of Up	oeka's business is,			
	(1) Having supporting workers.					
	(2) being followed a sewing diploma course					
	(3) having shops closed by					
	(4)	Receiving order	s from shops in other c	ities.		



04. Select the accurate statement from the followings Upeka's business should be registered. (1)(2)Upeka doesnot have skills to saw dresses The demand for her garments decreases (3) There are barriers to develop the business. (4) 05. What is the business organization which suits for a collective management by all owners of a business. A sole proprietorship (1)(2)A partnership Incorporated companies (3) Associations (4) 06. The objectives of suppliers as stakeholders (1)To receive an adequate profit To decide the prices of products (2)(3)To take accurate management decisions To get continuous orders (4) 07. Select the statement which includes external environmental factors, Customers, employees, Competitors (1)Owners, employees, managers (2)Owners, employees, competitors (3) Customers, suppliers, competitors (4) What is the law which decides the maximum partners of a partnership. 08. Partnership ordinance of 1890 (1)(2)Praud prevention ordinance no. 07 of 1840 Business names ordinance no. 06 of 1918 (3)Companies act no. 07 of 2007 (4) 09. Column X indicates the description of types of trades and column Y indicates the types of trades. Column X **Column Y** (1) Selling goods for the purpose A. Import Trade of reselling (2) Selling a stock of tea to America B. Whole sale Trade C. Export Trade (3) Selling goods for final consumption (4) Purchasing a stock of dual D. Retail trade from India The accurate statement when column X matched with the column Y. (1) BCAD (2)CBAD (3) BCDA (4) CBDA



Examiítion unit 10 and 11 - 2021

- 10. The types of accounts which facilitate to do transactions for a business man;
 - (1) A current account

(2) Dhanayojana accounts

(3) A savings account

- (4) Fixed deposits
- Select the statement which shows the numbers of MICR column of a cheque 11. respectively.
 - (1) Bank number cheque number, Branch number, bank account number
 - (2) cheque number, bank number, branch number, bank account number
 - (3) cheque number, branch number, bank number, bank account number
 - (4) Bank account number, cheque number, bank number, branch number.
- 12. The lorry worth of Rs. 2000 000 of Chathura which has obtained an full insurance coverage from Sri Lanka Insurance Corporation had a damage of Rs. 500 000 by an accident, The maximum compensation that chathum can obtain to the damage is.
 - (1) Rs. 500 000 (2) Rs. 150 000 (3) Rs. 2000 000 (4) Rs. 250 000
- 13. Anjana studies about natural disasters from a lecture conducted by the Central Environmental Authority. He further watched an educational programme of natural disasters via Rupavahini and red another related a newspaper article of Dinamina news paper The communication methods used by Anjana to study about natural disasters respectively are.
 - (1) Electronic, written, verbal

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14.

- (2) Electronic, verbal, written (4) Verbal, Written, Electronic
- (3) Verbal, electronic, written
- Select the statement which contains elements of transportation.
 - (1) Way, Power, Motor vehicles, Aircrafts
 - (2) Way, medium, power, terminal
 - (3) Medium, Ship, habour, Power
 - (4) Power, Terminal, Bus, Train
- 15. What is the function of appointing managers for production and marketing section of a beverages manufacturing company in the management process?
 - (1) Planning (2) Organizing (3) Leading (4) Controlling
- "It is decided to organize the national Volley ball tournament of 2021 by a popular 16. foot ware manufacturing company in Sri Lanka" What is the variable which indicates in the above statement?
 - (1) Advertising

(2) Personal selling

(3) Public relations

- (4) Sales promotions
- The basic objective of accounting is, 17.
 - (1) To know the profit earned by the business
 - (2) To know the financial situation of the business
 - To provide information to stake holders (3)
 - To fulfill legal requirements (4)



18.		Liabilities (Rs) - 5000 ve equation is, edit basis
19.	 The transaction which increases equity from (10 Paid electricity bill Rs. 3000 (2) Paid bank loan interest Rs. 2000 (3) Paid Rs. 7000 to creditors by the owner (4) Purchased furniture of Rs. 8000 	following transactions.
20.	 The double entry for a dishonured cheques of after receiving from debitors (1) Bank account Dr. Rs. 4000 Debtors account Cr. Rs. 4000 	of Rs. 4000 which was deposited (2) Debtors account Dr. Rs. 4000 Bank account Cr. Rs. 4000
	(1) Cash book Dr. Rs. 4000 Debtors account Cr. Rs. 4000	(2) Debtors account Dr. Rs. 4000 Cash book Cr. Rs. 4000
21.	Column X indicates the types of accounts and for types of accounts. Column X (1) Assets A/C (2) Expenses A/C (3) Equity A/C (4) Income A/C (5) Liabilities A/C	A. Drawings B. Bank loan C. Motor Vehicles D. Discount received E. Electricity bill
22.	The answer when column X matchs with col(1) CEADB(2) BAECD(3) A	lumn Y. ABCDE (4) ECADB
23.		try "increasing is debit and 2) Capital account 4) Debitors account
23.	The relevant source document and the prime the shakthi furniture shop from Yamuna mot are; (1) Purchase invoice, purchase journal (2) Purchase journal, purchase invoice (3) General journal, Journal voucher (4) Journal voucher, General journal	

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24. While balance of bank account was Rs. 20 000 and the balance of bank statement was Rs. 22 000 as at 31. 01. 2021 in a business. The transaction related to the above difference is. (1) Standing payment of Rs. 2000 as Insurance premium (2) Cheques deposited but not realised Rs. 2000 (3) Divident received Rs. 2000 directly to the bank (4) Bank charges of Rs. 2000 25. 10% discount was given while receiving Rs. 8000 from debtor Nelum in Kelum's business. This transaction from the view of Kelum's business is, (1) Discount received Rs. 8000 Discount allowed Rs. 800 (2)(3) Discount allowed Rs. 8000 (4) Discount received Rs. 800 The petty cash imprest of Sunitha's business is Rs. 4000. The petty cash balance 26. in hand was Rs. 300 as at 31. 01. 2021. It was decided to increase the petty cash imprest by Rs. 500 from the month of February. The reimbursement of petty cash imprest as at 01. 02. 2021 is, (1) Rs. 3700 (2) Rs. 4000 (3) Rs. 4200 (4) Rs. 4500 27. A prime entry book which was prepared by 'Salupili Traders' includes the date, the invoice Number, the supplier, the total value and the ledger page. The relevant prime entry book is, (1) Sales Journal (2) Purchases Journal (3) Petty cash book (4) General Journal 28. Following are the prime entry books prepared by a business. А Cash book B **Purchases** Journal C Bank Account D Petty cash Book What is the prime entry which does not have dual functions from above ? (2) B (3) C (4) D (1) A 29. The service which Cannot be fulfilled by using telebanking system is, (1) Payment of electricity and water bills (2) Checking the balance of bank account (3) Ordering cheque books (4) Transfering money from one account to another account. 30. The correct order of the accounting process is, (1) Transactions, Source Documents, Prime entry books Trial balance, **Financial Statements** Ledger accounts, (2) Source Documents, Transactions, Prime entry book, Ledger accounts Trial balance, Financial statements (3) Source Documents, Transactions, Ledger accounts, Prince entry Books Trial balance, Financial Statements. (4) Transactions, Source Documents, Ledger accounts, Prime entry books Total balance, Financial Striteuct



31.	Mihira Stores has used following so Receipt, Payment Voucher, Journal V						
	indicates the relevant transactions on that day.						
		assets / on credit basis, payment for					
	(2) Credit sales purchasing of fixed	assets on credit basis, payment for workers					
	(3) Payment for creditors, cash pur	chases, payment for workers.					
	(4) Cash sales, workers salary payr basis.	nent, purchasing of fixed assets on credit					
32.	Select the correct statement from followings.						
	(1) An example for a liability account	ant is the capital account in a business.					
	(2) Credit balance of the bank accordance.	unt prepared by the business is a favorable					
	(3) The cash book acts as a prime e	entry book and as a ledger account.					
	(4) The double entry concept of inc	creasing debit and decreasing credit affects					
	for assets accounts and income	accounts.					
33.	Following is an extraction of a trial l						
	Account Name	Dr. (Rs.) Cr. (Rs.)					
	(1) Piyal's account	1000 -					
	(2) Janitha's account	- 3000					
	(3) Sales account	5000					
	(4) Salaries account	1200 -					
		the types of accounts of above accounts is,					
	(1) Assets, liabilities, Income, Exp						
	(2) Liabilities, Assets, Income, Exp						
	(3) Assets, Liabilities, Expenses, Ir						
	(4) Liabilities, Assets, Expenses, Ir	lcome					
34.	The double entry for receiving a che	que from debitors is,					
	(1) Cash account Dr.	(2) Debitors account Dr.					
	Debitors account Cr.	Cash account Cr.					
	(3) Bank account Dr.	(4) Debitors account Dr.					
	Debitors account Cr.	Bank account Cr.					
35.	-	anthi hardware was Rs. 4800 in the month of					
		posting this to the ledger accounts is,					
	(1) Purchases a/c Dr. Rs. 4800	(2) Purchases a/c Dr. Rs. 4800					
	Cash a/c Cr. Rs. 4800	Bank a/c Cr. Rs. 4800					
	(3) Purchases a/c Dr. Rs. 4800	(4) Debitors a/c Dr. Rs. 4800					



26	Creditors a/c Cr. Rs. 4800	Purchases a/c Cr. Rs. 4800					
36.	Because of computerised accounting; (1) time can be saved	(2) Cost decreases					
	(1) this can be saved(3) Accuracy increases	(4) All above					
	(3) Recuracy mercuses						
37.	Sugandi handunkuru company sold 100 and gave 10% discount in the month of business is; (1) Rs. 22 500 (2) Rs. 25 000						
• •							
38.	What is the transaction which is recorde						
	 (1) Ashoka hardware sold 1000 bags of cement each at Rs. 900 (2) Shouthing the sold in the solution of the s						
	(2) Shanthi constructions acquired a concreate mixture machine at Rs. 20 laks						
	on credit basis(3) Tharusha Real Estate company donated Rs. 10 000 to 'Sarana' or fanage.						
	cashier to the petty cashier.						
39.	What is the accounting error which is affected to the agreement of the trial balance.						
	(1) No records for a purchase invoice of Rs. 3000 in books						
	(2) Building repairs of 7500 has been debited to the building account.						
	(3) Cash sales of Rs. 500 has been debited to the sales account.						
	(4) Receiving Rs. 2000 by the debitor	Amal has be credited to Vimal's account.					
40.	The amount of Rs. 5000 received from Isuru has been correctly recorded in the cash book, but it is recorded in the wrong side of Isuru's account. The double entry for correct this accounting error is;						
	(1) Isuru's a/c Dr. Rs. 5000	(2) Suspense a/c Dr. Rs. 5000					
	Cash a/c Cr. Rs. 5000	Isuru's a/c Cr. Rs. 5000					
	(3) Isuru's a/c Dr. Rs. 10000	(4) Suspense a/c Dr. Rs. 10000					
	Suspense a/c Cr. Rs. 10000	Isuru's a/c Cr. Rs. 10000					

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Business and Accounting Studies - I, II වහාපාර හා ගිණුම්කරන අධායනය - I, II

60 E I,II

Business and Accounting Studies - II

Answer 05 questions including questions number 01 and 02 questions from part I and 02 questions from part II.

01. Answer question no. 01 to no. 10 using following case study.

Kanthi who had a diploma in cookery had an idea of commencing a business. A national school was started in her area recently. She started a canteen called a Rasapiyasa closed to the school by investing Rs. 200,000 and her threewheel worth of Rs.300 000 as there is no canteen in side the school yet. On the same day she obtained a bank loan of Rs. 100,000 and recruited an assistant for her work.

Kanthi purchased bakery products from bakeries as well as from small scale food producers in her area on cash basis and on credit basis. She sold food on cash basis only. Following are the transactions related to the month of January 2020.

	Rs.
Purchasing of equipments	30 000
Purchasing of foods	15 000
Credit purchases	10 000
purchasing of gas	3 000
Rent payment	5 000
Salary payment	8 000
Maintenance of the threewheel	6 000
other expenses paid	2 000
Sales for the month	10 000
1	

(1) (a) What is the business category that 'Rasapiyasa' belongs to according to the nature of the product ?

(b) What is the need fulfilled by the business and name two related wants

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- (2) (a) What is the business organization that this business belongs to
 - (b) Should this business be registered. Give reasons.
- (3) (a) State an occasion where a whole sale trade happens?
 - (b) What is the management function that recruiting of a worker belongs to ?
- (4) State two businesses mentioned in the above case and state the type of business organizations those belong to
- (5) Write down the accounting equation as at 01 01 2020.
- (6) (a) What the capital as at 01 01 2020.
 - (b) Calculate the value of non current assets of this business as at 31 01 2020.
- (7) State two prime entry books and relevant source documents used in this business.
- (8) Write down the double entry with value for purchasing of equipments at Rs. 30 000.
- (9) Calculate the cash in hand as at 31 01 2020.

(10) Prepare the purchases Journal of this business and post in to the ledger.

(2 marks x 10 = 20)

Part - I - Business studies

Answer two questions only.

- (2) (i) (a) What is a business?
 - (b) Write two difference between human needs & wants.
 - (ii) State whether following statements are true or False.
 - (a) The whole world has become an Universal village due to electronic media.
 - (b) The aim of suppliers is obtaining a fair salary as state holders.
 - (c) Increasing of fuel price relates to the economic environment.
 - (d) All retail shops are service providing businesses.
 - (iii) Karunadasa produces lunch sheet by using banana leaves which are purchased from farmers of banana. He sells his products to canteens.
 - (a) Name two stakeholders of Karunadasa's business.
 - (b) State an objective of above stated stake holders.
 - (iv) (a) Demand for ready made dresses has been increased due to increasing of women employment. Nilmini started a small garment with a skilled helper. Nilmini's business got popular as presenting of quality ready mades.



- (b) Write a strength and an opportunity of Nilmini's business.
- 03. (i) (a) What is a cheque ?
 - (b) Write two types of crossing a cheque.
 - (ii) State whether following statements are true or false.
 - (a) Principle of indemnity affects to the life assurance.
 - (b) The way of reacting by the receiver over the message is feed back in communication.
 - (c) Buying 100 kg of rice for the wedding of the daughter is a retail trade.
 - (d) The place where the medium of transportation are handed is the terminal.

(02 marks)

(iii) Amal, Kamal and Vimal are three talented mechanics in motor vehicles repairing. They had a thought of commencing a business and agreed to bear profit and losses gained by themselves. They hope to participate all activities of the business.

- (a) What is the business organization you propose to Amal, Kamal and Vimal.
- (b) Write down one advantage and one disadvantage of above stated business organization. (02 marks)

(iv) Nihantha obtained an insurance coverage for his motor vehicle of Rs. 2000 000 from Sri Lanka Insurance corpration. One day the motor vehicle met an accident and had a damage of Rs. 500 000.

- (a) State the names of insured of the insurer seperately.
- (b) How much will be received to Nishantha as the conpensation and what is the principle affected to it. (02 marks)

(Total marks 08)

- 04. (i) (a) State the functions of management.
 - (b) What is marketing.

(02 marks)

- (ii) State whether the following statements are true or false.
 - (a) Any form in which a buyer and seller meets is considered as a market.
 - (b) Providing information and instructions to workers by managers is controlling.
 - (c) Price in the marketing is an important variable to businessmen as well as to consumers.
 - (d) Manufacturer and whole seller act as intermediaries in distribution of product.

(02 marks)



03. Following are some activities of a manufacturing company of drinking water bottles.

- Recruting machine operators.
- Providing information and instruction to machine operators.
- Deciding the shape of drinking bottles.
- Comparing drinking bottles with the standards.

Name the function of management of above activities. (02

- 04. Baladewa runs a business of Manufacturing cement bricks. He distributes this production by himself.
 - (a) What is the market mix in which cement bricks belong to
 - (b) Name the system of distribution by Baladewa.

Part II - Accounting

Answer two questions only.

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- 05. (i) (a) State two stakeholders of the business.
 - (b) State the similarity of an assets and a liability.
 - (ii) Following are some transactions in the business of Sajith for the month of January 2020.
 - 1. Invested Rs. 50 000 as capital
 - 2. Purchased stocks of Rs. 10 000 on credit basis.
 - 3. Sold stocks which was purchased Rs. 2000 at Rs. 3000.
 - 4. Paid electricity bill of Rs. 4000.

Indicate above transactions by using below table and state the balances of each item.

Transaction	Assets		= Fquity +	Liabilities
	Stocks	Cash	Capital +	Creditors
1				
2				
3				
4				

(6 marks)

(iii) Cash transactions of Nisal's Business for the month of January 2020 are given below cash balance as at 01 - 01 - 2020 is Rs. 10,000



(02 marks)

(02 marks)

Date	Receipt	Voucher	Description	Value
	No.	No.		Rs.
02 - 01 - 2020	01		obtained a bank loan	15000
05 - 01 - 2020		01	cash purchases	7000
10 - 01 - 2020	02		cash sales	3000
15-01-2020		02	paid electricity bill	2000
20-01-2020	03		received cash from	
			debtors	1000

Required to prepare the cash book as at 31 - 01 - 2020 and balance off. (04 marks) (Total mark - 12)

06. (i) Explain petty cash impresent.

(01 marks)

- (ii) Following are double entries of two transaction of a business.
 - (a) Debtors account debit Rs. 6000
 - (b) Creditors account debit Rs. 9000
 Discount received A/C credit Rs. 1000

Write the transaction occured for above transactions. (01 mark)

(iii) Following information indicates petty cash expenses of Rathnasiri's business for the month of January.

Date	Description	Value (Rs.)
01-03-2020	Received imprest	3000
02-03-2020	Stationery expenses	150
06-03-2020	Travelling expenses	200
09- 03-2020	Purchasing office equipment	500
11-03-2020	Entertainment expenses	130
14-03-2020 taxi fee		180
18-03-2020	-2020 carriage inwards	
21-03-2020	Labour cost	200
23-03-2020	Pens, pencils	210
25-03-2020	Entertainment expenses	170
25-03-2020	Clearing charges	220
01-04-2020		

Required to prepare petty cash book by including stationery expenses. Travelling expenses. Trovelling expenses, Entertainment expenses columns. (5marks)



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Date		Invoice No.	Buyer	Net value (Rs.)		
07 - 06 - 2020		610	Kusal	13, 500		
07 - 06 -	- 2020	611	Visal	8, 200		
18 - 06 -	- 2020	612	Nayomi	5, 300		
28 - 06 -	- 2020	613	Mayuri	9, 250		
Required	l to prepare sal	es journal and the rel	levant account.	(5 marks) (Total mark 12)		
07. (i) (ii) (iii)	 (a) What is bank overdraft. (b) What are the transactions recorded in the General Journal. (2 marks) Balance of the bank account of Kirthi's business as at 31 - 01 - 2020 is Rs. 30 000. It differs from the balance in the bank statement. Following reasons were revealed. 01. Cheques deposited but not realized Rs. 5000 02. Direct remittances Rs. 3000 03. Cheques issued but not presented to the bank Rs. 7000 04. Standing order Rs. 2000 (Insurance payment) Prepare; 1. Adjusted bank account 2. Bank reconciliation as at 31-01-2020 (4 marks) Debit balanced of the trial balance of Ravindu's business was less than Rs. 28,000 					
	01. A purch02. Total of03. Transpo	ared invoice of Rs. 5 sales journal has bee ort payment of Rs. 16 ment for Amal of Rs	ollowing errors were re 000 was not recorded in en increased by Rs. 120 000 is not recorded in t . 9000 has been debited tries to rectify above ar account.	n books. 00 he transport account. I to Vimals account.		

