



Provincial Department of Education
Northern Province
Third Term Examination - 2019
Business Studies & Accounting - Scheme
Grade – 10



Part I

1.	2	11.	2	21.	3	31.	2
2.	3	12.	1	22.	4	32.	3
3.	1	13.	3	23.	1	33.	1
4.	2	14.	3	24.	2	34.	3
5.	2	15.	4	25.	2	35.	3
6.	1	16.	2	26.	4	36.	3
7.	3	17.	2	27.	1	37.	3
8.	4	18.	1	28.	1	38.	1
9.	3	19.	3	29.	2	39.	4
10.	2	20	4	30.	1	40.	3

(40×1= 40 marks)

Part II

Question No. 1

1. (a) Designing skill of Arunmozhi
Computer skill of Arunmozhi
Preparing invitation cards at less cost (2×½ = 01 marks)
- (b) Thaya business (01 mark)
2. (a) Goods manufacturing business (01 mark)
- (b) Visible
Tangible
Imperishable / Can be stored (2×½ = 01 mark)
3. (a) 1. Common recognition
2. Confirmation of ownership
3. Government incentives can be obtained.
4. Loan can be obtained. (2×½ = 01 mark)
- (b) No legal personality (½ mark)
For students' explanation (½ mark)
4. (a) Incorporated companies (01 mark)
- (b) It should be registered under Companies Act No. 7 of 2007. (01 mark)
5. Equity + Liability = Assets
200 000 130 000 330 000 (02 marks)
6. Purchase invoice (01 mark)
Purchase journal (01 mark)
7. Current assets – Rs. 80 000 (01 mark)
Non-current liability – Rs. 100 000 (01 mark)
8. Machine repair account Dr. Rs. 5 000
Cash account Cr. Rs. 5 000 (02 marks)
9. Purchase account
Electricity account
Machine repair account (2×1=2 marks)

10.

Cash account

Date	Invoice No.	Details	LF	Value	Date	Details	V.No.	Value
01.07		b/d Sales	½	30 000 75 000 105 000	03.07	Purchase Electricity Machine repair c/d	½ mark 01 mark	50 000 2 000 5 000 48 000 105 000

Question No. 2

- (a) The various ways of fulfilling human needs are called wants. (01 mark)
(b) Not essential Varied
Can be created Limited (2×½=01 mark)
- (a) False (b) False (c) True (d) True (02 marks)
- (a) Dresses
(b) Capital – Sewing machine
Entrepreneurship – Arathana's skill (2×½=01 mark)
- (a) Owner – Roshan
Employee – Two employees (2×½=01 mark)
(b) Strength – Diploma certificate of Roshan in Agriculture
Opportunity – Increased demand for natural food (2×½=01 mark)

Question No. 3:

- (a) The environment which affect the business activities (01 mark)
(b) Internal environment
External environment (2×½=01 mark)
- (a) True (b) False (c) True (d) False (02 marks)
- (a) Sole proprietorship (01 mark)
(b) It should be registered under Business Name Ordinance No. 6 of 1918. (01 mark)
- Supplier: To get continuous order
To collect money on time (01 mark)
Government: To get tax income, to increase national production, to generate employment opportunities (01 mark)

Question No. 4 :

- (a) Co-operative society
Associations
- (a) True (b) True (c) False (d) False (02 marks)
- (a) A, D (01 mark)
(b) Incorporated company (01 mark)
- (a) 1. Ownership and administration to government
2. Responsible officer should present in legal affairs.
3. Continuity
4. Government invests capital (2×½=01 mark)
(b) Partnership and incorporated company (01 mark)

Question No.5:

- (a) Providing useful information to stakeholders for their decision making (01 mark)
(b) Current assets, Non-current assets (2×½=01 mark)
- (a) Owner's drawing, expense (2×½=01 mark)
(b) Trade creditors, accrued expenses (2×½=01 mark)

3. (a) A (b) B (c) C (d) D (4 × ½ = 02 marks)
 (a) Rs. 475 000 (b) Rs. 200 000
4. 1. Goods were purchased for Rs. 50 000 on cash basis and for Rs. 50 000 on credit basis.
 2. Rs. 20 000 cash was paid for operating expense of business.
 3. Additional capital Rs. 100 000 was invested.
 4. Rs. 30 000 was received from debtors. (4 × 1 = 4 marks)

Question No. 6:

1. (a) The document prepared by authorized officer including the relevant details of payments made by business. (01 mark)
 (b) Created as a result of past transaction (01 mark)
2. (a) 1. Credit purchase and sales of non-current assets
 2. Adjustment entries
 3. Correction entries (2 × ½ = 01 mark)
- (b) 1. Getting the details of bank balance
 2. Bank statement can be obtained.
 3. Electricity and water bills can be paid.
 4. Fund transfer between account
 5. Application for new cheque book (2 × ½ = 01 mark)
3. Cash account Dr. Rs. 50 000 Purchase account Dr. Rs. 45 000
 Bank loan account Dr. Rs. 50 000 Cash account Cr. Rs. 45 000
- Cash account Dr. Rs. 40 000 Rent account Dr. Rs. 8 000
 Sales account Cr. Rs. 40 000 Cash account Cr. Rs. 8 000
- Cash account Dr. Rs. 30 000 Drawing account Dr. Rs. 5 000
 Vithuran account Cr. Rs. 30 000 Cash account Dr. Rs. 5 000

(4 marks for any four entries)

4.

Petty cash book

Receipt	LF	Date	Details	V.No.	Amount	Transport	Entertainment	Stationery	Ledger
½ { 150 2850		01.02	b/d						
		01.02	Cash						
		02.02	Three wheeler	001	160	160			
		04.02	Kavitha salary	002	300				300
		11.02	Pen, pencil	003	200			200	
		13.02	Sugar & tea	004	240		240		
		16.02	Bus fare	005	250	250			
		18.02	Exercise book	006	320				320
		25.02	Cool drink	007	150			150	
		28.02			½ 1620		410	390	520
½ { 1380 1620					1380				
			c/d		3000				
		01.03	b/d						
		01.03	Cash						

Cash account

Date	Details	R.No.	Amount	Date	Details	V.No.	Amount
				01.02	Petty cash	½ {	2850
				01.03	Petty cash		1620

Transport expense account

Date	Details	LF	Amount	Date	Details	LF	Amount
28.02	Petty cash		½ 410				

Stationery expense account

Date	Details	LF	Amount	Date	Details	LF	Amount
28.02	Petty cash		½ 520				

Kavitha account

Date	Details	LF	Amount	Date	Details	LF	Amount
28.02	Petty cash		½ 300				

Entertainment account

Date	Details	LF	Amount	Date	Details	LF	Amount
28.02	Petty cash		½ 390				

(04 marks)

Question No. 7:

1. (a) A statement forwarded by bank to current accountholders including the transactions undertaken during a particular month.
 (b) Direct deposit
 Standing order payment
 Bank charge and cheque book charge

2. **Sales journal**

Date	Invoice No.	Purchasers	Value	LF
12.05.2019	375	Malliga	7300	
26.05.2019	402	Suganthi	4000	
31.05.2019		Transferred to sales account ½	11300	

Malliga account

Date	Details	LF	Value	Date	Details	LF	Value
12.05.2019	Sales		½ 7300				

Suganthi account

Date	Details	LF	Value	Date	Details	LF	Value
26.05.2019	Sales		½ 4000				

Sales account

Date	Details	LF	Value	Date	Details	LF	Value
				31.05.2019	Debtors		½ 11300

(02 marks)

3. (a) Value of unrealized cheque is Rs. 30 000 (01 mark)
 (b) Bank charge
 Cheque book charge
 Investment income
 Direct deposit (3×1= marks)

General journal

Date	V.No.	Details	LF	Debit	Credit
		Cash account		2000	2000 } 01 mark
		Insurance account (To rectify insurance Rs. 2 000 recorded twice)		1000	
		Suspense account			1000 } 01 mark
		Sales account (To rectify credit sales understated in sales account)		7000	
		Purchase account			7000 } 01 mark
		Creditors account			

Suspense account

Date	Details	LF	Value	Date	Details	LF	Value
	Sales		1000 ½		Difference in trial balance		1000 ½

(04 marks)