

අධ්‍යයන පොදු සහතික පත්‍ර (සාමාන්‍ය පෙළ) විභාගය, 2024(2025)
கல்விப் பொதுத் தராதரப் பத்திர (சாதாரண தர)ப் பரீட்சை, 2024(2025)
General Certificate of Education (Ord. Level) Examination, 2024(2025)

ව්‍යාපාර හා ගිණුම්කරණ අධ්‍යයනය I, II
வணிகக் கல்வியும் கணக்கீடும் I, II
Business and Accounting Studies I, II

පැය තුනයි
மூன்று மணித்தியாலம்
Three hours

අමතර කියවීමේ කාලය - මිනිත්තු 10 යි
மேலதிக வாசிப்பு நேரம் - 10 நிமிடங்கள்
Additional Reading Time - 10 minutes

Use additional reading time to go through the question paper, select the questions and decide on the questions that you give priority to in answering.

Business and Accounting Studies I

Instructions:

- * Answer all questions.
- * In each of the questions 1 to 40, pick one of the alternatives (1), (2), (3), (4) which is correct or most appropriate.
- * Mark a cross (X) on the number corresponding to your choice in the given answer sheet.
- * Further instructions are given on the back of the answer sheet. Follow them carefully.

- Answer the questions No. 1 to 5 using the following case.

'Ecovegi' is a model farm in Kaduruhenya village where 50 farmers grow vegetables and fruits. The farmers have a problem to transport their products in fresh to Dambulla Dedicated Economic Centre on time because of the long distance. As a solution for this, Sanka, the owner of 'Sandali vegetables' business in Dambulla Dedicated Economic Centre started the 'Sahana Services Association' with the farmers of 'Ecovegi' farm to provide transport facilities to them.

1. What is the human need satisfied by 'Sahana Services Association'?

(1) Food	(2) Health
(3) Transportation	(4) Safety
2. 'Sandali vegetables' business is

(1) a sole proprietorship.	(2) a partnership.
(3) an association.	(4) a not for profit business.
3. Select the correct answer that indicates a production factor and an example for it in 'Sandali vegetables' business.

(1) Land	- Dambulla Dedicated Economic Centre
(2) Labour	- Sanka
(3) Capital	- Stocks of vegetables and fruits
(4) Entrepreneurship	- Farmers of 'Ecovegi' farm
4. An internal environmental factor of 'Sandali vegetables' business is

(1) Sanka.	(2) Farmers.
(3) 'Ecovegi' farm.	(4) Dambulla Dedicated Economic Centre.
5. Select the correct statement according to the above case.
 - (1) 'Sandali vegetables' business is a for profit business.
 - (2) 'Sahana Services Association' has a legal entity.
 - (3) Sanka is not a stakeholder of 'Ecovegi' farm.
 - (4) Dambulla Dedicated Economic Centre is a private sector business.



- Answer the questions No. 6 and 7 using the following information.

'Moretec' business which sells electronic items has faced a problem as a new shop was opened near by offering similar products at a low price. Therefore the owner of 'Moretec' business, introduced a personal selling program.

- What is the external environmental factor affected to the 'Moretec' business?
 - Suppliers
 - Competitors
 - Managers
 - Employees
- An example for promotion, variable of marketing mix in 'Mortec' business is
 - selling electronic items.
 - pricing electronic items at low price.
 - establishing a new shop.
 - introducing a personal selling programme.
- According to the ownership, the type of business organization that Sri Lanka Ports Authority belongs to
 - private companies.
 - state companies.
 - state corporations.
 - state departments.
- What is the economic environmental factor affected to a business?
 - Raw materials are purchased from a new supplier.
 - Tax rates are increased by Sri Lankan Government.
 - A new accounting software is introduced by Tec Lanka Institute.
 - A business registration method is introduced for small and medium entrepreneurs.
- A ① account is required for transacting by cheques, and ② cheque cannot be withdrawn at the bank counter.
Select the answer that shows the correct terms to ① and ② in the above statement respectively.
 - savings, an endorsed
 - current, an endorsed
 - savings, a crossed
 - current, a crossed
- Sugath gets in Sisu Sariya bus at Gampaha bus stand and goes to school.
Select the answer that indicates the transportation elements for Gampaha bus stand and Sisu Sariya bus in the above case respectively.
 - mode, terminal
 - power, terminal
 - power, mode
 - terminal, mode
- Select the incident related to the principle of insurable interest.
 - Amara who is conducting a pawning business insured pawned items.
 - Kumari provided her complete medical history to obtain an insurance policy.
 - Sarath received compensation only for the damage caused to his car.
 - Vimal's insurance policy was rejected due to not revealing some information.
- The production manager has sent an order to supplier, Kamal, informing that raw materials are needed soon.
The communication elements included in the above statement are
 - message, response and feedback.
 - sender, receiver and message.
 - medium, receiver and feedback.
 - sender, receiver and response.
- Some activities done by the organizing committee of school house meet are as follows.
 - Engaging the students for sports training activities daily
 - Appointing house captains and games captains
 - Deciding to conduct the annual sports meet at the end of March
 - Allocating funds needed for prizes and trophies from school development society's fund
 Out of the above activities, organizing and leading in management process indicate respectively from
 - B and A.
 - B and D.
 - D and B.
 - D and C.

15. Select the statement that includes the variables, price and place in the marketing mix.
- (1) KG T shirt has earned a high profit margin of 30% through online sales.
 - (2) Shakthi homes published a newspaper advertisement to promote their new house models.
 - (3) An institute presented a new software for hotel reservation at an international conference.
 - (4) Kumara distributed free samples of canned fish produced by him.
16. Select the financial return received by investing in equity shares of a listed company in the Colombo Stock Exchange and fixed deposits of a bank respectively.
- (1) Capital gains and Dividends
 - (2) Interest income and Capital gains
 - (3) Interest income and Dividends
 - (4) Capital gains and Interest income
17. The first step in the accounting process is
- (1) recording transactions in ledger accounts.
 - (2) recording transactions in prime entry books.
 - (3) collecting source documents related to the transactions.
 - (4) identifying the ledger accounts related to the transactions.
18. What is the transaction which generates a non current liability in a business?
- (1) Paying Rs. 15 000 to a creditor.
 - (2) Purchasing furniture of Rs. 200 000 in cash for the office.
 - (3) Obtaining a long term bank loan of Rs. 500 000.
 - (4) Purchasing goods of Rs. 50 000 on credit for selling.
19. The source document and the prime entry book used to record the purchasing equipments of Rs. 250 000 on credit for the use of business are
- (1) purchase invoice and purchases journal.
 - (2) payment voucher and cash book.
 - (3) journal voucher and general journal.
 - (4) purchase invoice and general journal.
- Answer the questions No. 20 to 23 using the following information.

The accounting equation of Raveen's business as at 01.01.2025 was as follows.

Assets	=	Equity	+	Liabilities
Rs. 200 000		Rs. 120 000		Rs. 80 000

The following transactions occurred in Raveen's business during the first week of January 2025.

- A - Purchasing goods of Rs. 50 000 on credit
 - B - Obtaining a bank loan of Rs. 100 000
 - C - Purchasing furniture of Rs. 150 000 in cash for office use
 - D - Paying Raveen's life insurance premium of Rs. 10 000 from the money of business
20. The transaction which does **not** change the values of accounting equation of Raveen's business as at 01.01.2025 is
- (1) A.
 - (2) B.
 - (3) C.
 - (4) D.
21. After these transactions, equity of Raveen's business is
- (1) Rs. 220 000.
 - (2) Rs. 210 000.
 - (3) Rs. 120 000.
 - (4) Rs. 110 000.
22. Through these transactions, assets of Raveen's business increases by
- (1) Rs. 140 000.
 - (2) Rs. 150 000.
 - (3) Rs. 290 000.
 - (4) Rs. 340 000.
23. What are the transactions affected to the liabilities of Raveen's business among these transactions?
- (1) A and B
 - (2) A and D
 - (3) B and C
 - (4) C and D

24. The balance of Petty cash book in a business was Rs. 250 as at 31.12.2024. As the petty cash imprest was increased by Rs. 2 000 since 01.01.2025, Rs. 4 750 was received for reimbursement on that day. The petty cash expenses for the month of December 2024 is
- (1) Rs. 5 000. (2) Rs. 4 750. (3) Rs. 3 000. (4) Rs. 2 750.
25. The balance of the bank account in a business as at 31.12.2024 was Rs. 15 200. The balance of the bank statement was Rs. 18 000 on that day. There is only one reason for this difference. What is that reason?
- (1) A debtor deposited Rs. 2 800 directly in the bank account of the business.
 (2) A cheque deposited in the bank, but not realized during the month of December is Rs. 2 800.
 (3) The insurance premium paid by the bank on a standing order is Rs. 2 800.
 (4) The bank fee charged by the bank is Rs. 2 800.
26. Select the transaction included in the both bank account of business and bank statement.
- (1) Cheques issued but not presented to the bank Rs. 100 000
 (2) Cheques deposited but not realized Rs. 25 000
 (3) Cheque issued by the business and paid by the bank Rs. 5 000
 (4) Receiving a cheque of Rs. 25 000 for cash sales to the business
27. Suraj received 10% discount when he purchased goods on 05.01.2025 of Rs. 10 000 on credit. It was mentioned in the invoice that if cash is paid within one month, 5% discount is given. Suraj paid the money on 25.01.2025. The amount credited to discount received account on that day is
- (1) Rs. 450. (2) Rs. 500. (3) Rs. 1 000. (4) Rs. 1 450.
28. The total of debit column of trial balance prepared on 31.12.2024 increased by Rs. 12 000. The transaction affected for this is that
- (1) the balance of Rs. 6 000 in salary account has been recorded twice in trial balance.
 (2) the total of sales account has been decreased by Rs. 12 000.
 (3) the total of purchases account has been decreased by Rs. 12 000.
 (4) the balance of building account Rs. 12 000 has been entered in the credit column of trial balance.
29. What is the accounting error that does **not** affect to the agreement of the trial balance?
- (1) Purchasing furniture of Rs. 10 000 has been debited to the purchases account.
 (2) Paying Rs. 10 000 to creditors has been recorded only in the cash account.
 (3) Cash purchase of Rs. 10 000 has been recorded in the credit side of the purchases account.
 (4) The balance of land account Rs. 100 000 has not been extracted to the trial balance.
- Answer the questions No. 30 and 31 using the following information.
- The number of members of a welfare society is 120. Membership fee received during the year, for the year ended 31.12.2024 is Rs. 120 000. Membership fee receivable is Rs. 24 000 as at 31.12.2024.
30. The monthly membership fee of a member is
- (1) Rs. 100. (2) Rs. 120. (3) Rs. 1 000. (4) Rs. 1 200.
31. The membership fee in income statement for the year ended 31.12.2024 and the statement of financial position on that day are respectively
- (1) Rs. 24 000 and Rs. 120 000. (2) Rs. 120 000 and Rs. 24 000.
 (3) Rs. 144 000 and Rs. 120 000. (4) Rs. 144 000 and Rs. 24 000.

- Answer questions No. 32 and 33 using the following information.

Cost information related 500 pairs of shoes production of shoe manufacturing business are given below.

	Rs.
A - Purchase of leather	75 000
B - Purchase of thread, glue, needles and other materials	2 000
C - Shoe sewing charges	35 000
D - Purchase of shoe soles	10 000
E - Depreciation of shoe sewing machine	3 000
F - Purchasing a new shoe sewing machine	40 000
G - Shoe designing fee	6 000

32. The direct material cost of a pair of shoes is

(1) Rs. 150. (2) Rs. 154. (3) Rs. 170. (4) Rs. 174.

33. The items in production overhead cost are

(1) A and B. (2) B and D. (3) B and E. (4) C and E.

- Answer the questions No. 34 to 40 using the following information.

Samson started a business by employing Rs.100 000, in a rented building on 01.01.2024. The information in this business for the year ended 31.12.2024 is as follows.

	Rs.
Assets as at 31.12.2024 :	
Bank balance	44 000
Debtors	86 000
Cash balance	125 000
Machines and equipment	250 000
Distribution lorry employed by owner (cost as at 01.01.2024)	800 000
Liabilities as at 31.12.2024 :	
10% bank loan (obtained on 01.01.2024)	100 000
Creditors	42 500
Income :	
Sales in cash	350 000
Sales on credit	370 000
Other income receipts	80 000
Expenses :	
Building rent paid	30 000
Electricity paid	60 000
Purchases in cash	340 000
Purchases on credit	100 000
Loan interest paid	7 500

Additional Information:

1. Distribution lorry should be depreciated annually at 10% on straight line basis.
2. There was no any stocks as at 31.12.2024.
3. Rs. 6 000 should be written off as bad debts from the debtors.

34. The capital employed by Samson to the business on 01.01.2024 is
(1) Rs. 100 000. (2) Rs. 200 000. (3) Rs. 800 000. (4) Rs. 900 000.
35. Cost of sales of Samson's business for the year ended 31.12.2024 is
(1) Rs. 340 000. (2) Rs. 380 000. (3) Rs. 440 000. (4) Rs. 720 000.
36. Gross profit of Samson's business for the year ended 31.12.2024 is
(1) Rs. 280 000. (2) Rs. 340 000. (3) Rs. 360 000. (4) Rs. 380 000.
37. The amount of bank loan interest in income statement for the year ended 31.12.2024 is
(1) Rs. 2 500. (2) Rs. 7 500. (3) Rs. 10 000. (4) Rs. 17 500.
38. The correct item in financial position statement in this business as at 31.12.2024 is
(1) accrued bank loan interest Rs. 10 000.
(2) debtors balance Rs. 86 000.
(3) net value of distribution lorry Rs. 720 000.
(4) bank loan Rs. 90 000.
39. The total of sales and distribution expenses in income statement for the year ended 31.12.2024 is
(1) Rs. 6 000. (2) Rs. 80 000. (3) Rs. 86 000. (4) Rs. 96 000.
40. The net profit of Samson's business for the year ended 31.12.2024 is
(1) Rs. 94 000. (2) Rs. 174 000. (3) Rs. 274 000. (4) Rs. 360 000.

**

සියලු ම හිමිකම් ඇවිරිණි / முழுப் பதிப்புரிமையுடையது / All Rights Reserved]

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 இலங்கைப் பரீட்சைத் திணைக்களம் இலங்கைப் பரීட்சைத் திணைக்களம் இலங்கைப் பரීட்சைத் திணைக்களம் இலங்கைப் பரීட்சைத் திணைக்களம் இலங்கைப் பரීட்சைத் திணைக்களம்
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 வணிகக் கல்வியும் கணக்கீடும் I, II
 Business and Accounting Studies I, II

Business and Accounting Studies II

Instructions :

- * Including question No. 1 answer five questions selecting two questions from each of the parts I and II.
- * As instructed, answer five questions only. Any extra questions answered, if not struck off by the candidate himself/herself, will be crossed out by the examiner, without being marked.

1. Using the following case, answer the questions No. (i) to (x).

Kalhara who is a Diploma holder of handicrafts lives in Nilwella village which is a tourism paradise. Kalhara modernized the handicraft business run by his father and started a new business named 'Kalhara handicrafts' on 01.01.2025. Handicrafts of Rs. 250 000 prepared for sale and machine and equipment valued Rs. 100 000 in Kalhara's father's business were given to Kalhara by his father on that day. Kalhara obtained a bank loan of Rs. 200 000 at 12% interest per annum and invested his own modern equipment of Rs. 150 000 on the same day.

Transactions occurred during the month ended 31.01.2025 are given below.

	Rs.
Raw materials purchase on credit	180 000
Paying carriage inwards	10 000
Paying to creditors	50 000
Paying employee wages	80 000
Paying distribution vehicle charges	30 000
Sales in cash	400 000
Sales on credit	200 000

Kalhara sells his products to the local and foreign tourists at his showroom. Further he distributes his products to the tourist resorts in the area to sell the tourists. Kalhara has decided to open 'Kalhara handicrafts' showrooms in other tourists cities in Sri Lanka next year.

Additional information:

- The electricity bill of Rs.8000 for the month of January 2025 has not been paid yet.
- Non current assets are depreciated at 12% per annum on straight line basis.

- (i) (a) What is the type of business organization that 'Kalhara handicrafts' business belongs according to the ownership?
 (b) Write a strength and an opportunity of 'Kalhara handicrafts' business.
- (ii) Write an example for each of a retail trade and a wholesale trade of 'Kalhara handicrafts' business.
- (iii) (a) What is the target market of 'Kalhara handicrafts' business?
 (b) Write the management function for each of the followings done by 'Kalhara handicrafts' business.
 1. Obtaining a bank loan for the business
 2. Deciding to open showrooms in other cities

- (iv) Write a reason for that each of the following stakeholders is interested in 'Kalhara handicrafts' business.
1. Foreign tourists
 2. Kalhara
- (v) Write the basic accounting equation of 'Kalhara handicrafts' business as at 01.01.2025.
- (vi) Write the double entry to record employing Kalhara's modern equipment of Rs. 150 000 to the business on 01.01.2025.
- (vii) (a) Name **two** prime entry books that 'Kalhara handicrafts' business should maintain.
(b) Write each transaction mentioned in the above case that is recorded in each prime entry book named in above (vii) (a).
- (viii) Write **two** current liabilities with values in 'Kalhara handicrafts' business as at 31.01.2025.
- (ix) Calculate the carrying amount of non current assets of 'Kalhara handicrafts' business as at 31.01.2025.
- (x) Calculate the cash balance of 'Kalhara handicrafts' business as at 31.01.2025.
- (02 × 10 = 20 marks)

Part I - Business Studies
(Answer **two** questions only.)

2. (i) Write **two** characteristics of a state department. (02 marks)
- (ii) State whether the following statements are **true** or **false**.
- (a) Needs vary from person to person.
 - (b) Only the employee's physical effort is considered as the labour, a factor of production.
 - (c) A retailer acts as an intermediary between whole seller and consumer.
 - (d) Cooperative societies work for the welfare of their members. (02 marks)
- (iii) Saman runs 'Shine bakery' business by investing his savings. As the demand increased in the competitive market, Ravi who has business experiences was recruited to his business to maintain the business activities effectively.
- (a) Write **two** strengths of 'Shine bakery' business.
 - (b) Write **two** stakeholders of 'Shine bakery' business mentioned in this case. (02 marks)
- (iv) Following are the business places where Gihan transacted.
- A** - Naveen book sellers
B - Smart textile traders
C - Mihiri Bakers
- (a) Mention a need satisfied by Gihan from the above each business separately.
 - (b) Name a commodity manufacturing business and a service providing business from the above businesses. (02 marks)
- (Total 08 marks)
3. (i) Write **two** advantages of maintaining a current account to a business. (02 marks)
- (ii) State whether the following statements are **true** or **false**.
- (a) Only crossed cheques can be deposited in a current account.
 - (b) Any risk can be insured.
 - (c) Business communication is important only to large scale businesses.
 - (d) The cost of transportation is a significant factor to determine the selling price of a good. (02 marks)
- (iii) Nimal started a business using a part of funds he had deposited in National Savings Bank. When purchasing raw materials for the business from Sunil, he issued a cheque from his account in Bank of Ceylon.
- (a) Name drawer and drawee of the cheque mentioned in the above case.
 - (b) State **two** investments, Nimal has. (02 marks)

(iv) Consider the following incidents.

Incident A

Sarath's house was damaged by flood. He sent a SMS informing about this damage from his mobile phone to the insurance company. He got the full compensation through his natural disaster policy.

Incident B

When getting the life insurance policy, Sanjaya had not disclosed his medical history correctly. Later he was sick and hospitalized, he gave a call to the insurance company asking for compensation. But the insurance company rejected to pay the compensation.

(a) State the principle of insurance affected to pay or not to pay the compensation in the above each incident A and B.

(b) Name the medium of communication used in the above each incident A and B.

(02 marks)

(Total 08 marks)

4. (i) State **two** returns of investment in lands. (02 marks)

(ii) State whether the following statements are **true** or **false**.

(a) The marketing mix is relevant only to physical products.

(b) Savings accounts offer higher returns than the other all investments.

(c) Planning is the first function in the management process.

(d) Decision making includes in every management function. (02 marks)

(iii) Jeevan, the owner of 'Green Wave' Herbal Products has decided to purchase a new machine to boost the production. He recruited a production supervisor to observe the effectiveness of production too.

(a) State **two** management functions in the above case.

(b) Write an example for each management function mentioned above (iii) (a) using the case. (02 marks)

(iv) Nuwan has invested his savings in a fixed deposit, land and listed companies on the Colombo Stock Market.

(a) What is the investment with the highest risk from the above investments?

(b) Write a financial return gained by Nuwan from each of the above investments respectively. (02 marks)

(Total 08 marks)

Part II - Accounting

(Answer **two** questions only.)

5. (i) Write **two** characteristics of an asset. (02 marks)

(ii) Write **two** advantages of Computerized Accounting. (02 marks)

(iii) (a) The following are two transactions affected to the accounting equation of a business.

Assets (Rs.)	=	Equity (Rs.)	+	Liabilities (Rs.)
(1) - 15 000 (cash)				- 15 000 (creditors)
(2) - 25 000 (stocks) + 30 000 (cash)		+ 5 000 (profit)		

Required :

Writing the above **two** transactions

(b) Some information of Sagara's business in 2024 is given below.

	Rs.
Capital (as at 01.01.2024)	500 000
Income of the year	360 000
Expenses of the year	210 000
The amount invested by Sagara during the year	100 000

Required :

Calculating the equity of the owner as at 31.12.2024

(04 marks)

(iv) The bank balance of Nisala's business was Rs. 20 250 as at 01.01.2025. Some transactions occurred during the month of January 2025 are given below.

02.01.2025	-	Depositing Rs. 15 000 in the bank
15.01.2025	-	Issuing a cheque of Rs. 10 000 for electricity bill
18.01.2025	-	The cheque issued for electricity bill was dishonoured
27.01.2025	-	Issuing a cheque of Rs. 28 500 to creditor Sameera. Discount received is Rs. 1 500

Required :

Preparing the bank account with discount columns in Nisala's business and indicating the bank balance as at 31.01.2025

(04 marks)

(Total 12 marks)

6. (i) State **two** occasions where errors can occur in the accounting process. (02 marks)

(ii) The cost information related to printing 1000 calendars for the year 2025 in 'Saviya' production business is given below.

	Rs.
Papers and ink.....	100 000
The monthly salary of a printing worker	40 000
(There are two printing workers)	
Expenses for designs of calendar	5 000
Printing machine annual depreciation	24 000
Monthly electricity bill of the printing section	8 000
Monthly salary of cleaner in the printing section	15 000
Glue, thread and pins	1 000
Monthly salary of a printing section watcher	20 000

Required :

Calculating the selling price of a calendar with a 10% profit margin on cost.

(02 marks)

(iii) Following are the totals of the debit and credit columns of the trial balance prepared in Haseem's business as at 31.12.2024.

Debit column	-	Rs. 685 000
Credit column	-	Rs. 750 000

The reasons affected to this difference are as follows:

1. Cash purchases of Rs. 50 000 was recorded twice in accounts.
2. The debit side of salary account has been totalled with excess of Rs. 1 000.
3. The balance of the land account Rs. 666 000 was recorded as Rs. 600 000 in the trial balance.
4. Purchase of furniture Rs. 25 000 was debited to the purchases account.

Required :

Writing journal entries of correcting the above errors.

(04 marks)

(iv) The favourable balance of bank account in Rizna's business is Rs.45 000 as at 31.12.2024. The balance of the bank statement on that day was Rs.36 000. The reasons for this difference are given below.

1. The cheque No. 700750 of Rs.24 000 deposited in the bank in December has not been realized.
2. The insurance premium paid by the bank under the standing orders is Rs.6 000.
3. Although the cheque No. 820004 of Rs.10 000 was issued to a creditor, it has not been presented to the bank.
4. The amount received from a debtor directly to the bank is Rs.11 000.

Required :

(a) Adjusting the balance of bank account in Rizna's business as at 31.12.2024

(b) Preparing the bank reconciliation statement as at 31.12.2024

(04 marks)
(Total 12 marks)

7. (i) What is the scrap value of a machine? (02 marks)

(ii) The following information is provided for Rantharu sports club for the year ended 31.12.2024.

- Number of members is 80.
- Annual membership fee of a member is Rs.1 000.
- Five members have not paid their annual membership fees.
- Donations of sports equipment of Rs.50 000 has been received to the sports club.
- The monthly salary of the incharge of pavilion is Rs.10 000. His salary for the month of December 2024 has not been paid.
- Rent received by renting out the playground is Rs.100 000. Rent receivable as at 31.12.2024 is Rs. 10 000.

Required :

Writing **two** items with values recorded in Receipt and Payment account in Rantharu Sports Club prepared for the year ended 31.12.2024 (02 marks)

(iii) Following is the trial balance of Saradha's retail trading business as at 31.12.2024.

	Debit (Rs.)	Credit (Rs.)
Capital		455 000
Stock (as at 01.01.2024)	58 000	
8% Bank loan		50 000
Debtors	45 000	
Creditors		51 000
Purchases	375 000	
Sales		590 000
Carriage inwards	22 000	
Building rent	10 000	
Sales employees wages	90 000	
Electricity charges.....	50 000	
Discounts allowed	12 000	
Discounts received		15 000
Distribution vehicles (cost as at 01.01.2024).....	400 000	
Provision for depreciation of distribution vehicles (as at 01.01.2024)		64 000
Loan interest	2 000	
Bank charges	1 500	
Machines and equipments (cost as at 01.01.2024)	150 000	
Cash balance	9 500	
	1 225 000	1 225 000

Additional information :

- Stock as at 31.12.2024 is Rs. 60 000.
- Monthly building rent is Rs. 1 000.
- Distributing vehicles should be depreciated annually at 8% on straight line basis.

Required:

- (a) The statement of Profit or Loss of Saradha's business for the year ended 31.12.2024. (04 marks)
- (b) The statement of Financial Position of Saradha's business as at 31.12.2024. (04 marks)
- (Total 12 marks)

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