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අධ්‍යාපන, උසස් අධ්‍යාපන හා වෘත්තීය අධ්‍යාපන අමාත්‍යාංශය
கல்வி, உயர்கல்வி மற்றும் தொழிற்கல்வி அமைச்சு
Ministry of Education, Higher Education and Vocational Education

අධ්‍යයන පොදු සහතික පත්‍ර (උසස් පෙළ) උපකාරක තක්සේරුව , 2026
கல்விப் பொதுத் தராதரப் பத்திர (உயர் தரப்) –கற்றலுக்கான உதவி மதிப்பீடு , 2026
General Certificate of Education (Adv. Level) Supportive Assessment, 2026

ගිණුම්කරණය I
கணக்கியல் I
Accounting I

33 | E | I

පැය දෙකයි
இரண்டு மணித்தியாலம்
Two hours

Instructions:

- *Answer **all questions.***
- *For questions **01 to 30**, select the correct answer and **write its number on the dotted line provided in front of the question**.*
- *For questions **31 to 50**, write the short answer **on the relevant dotted line.***
- ***Equal marks** are allocated for every question.*
- *Clearly write your examination number in the box provided at the top.*
- ***The use of non-programmable calculators is permitted.***

Index No. - ……

(1) Which of the following statement describes the main objective of accounting?

1. Provide financial information about an entity to interested parties for decision making.
2. Provide financial information about an entity to external parties for decision making.
3. Provide information to interested parties to evaluate the results of business activities.
4. Provide financial and non-financial information about an entity to interested parties for decision making.
5. Provide information about an entity to interested parties to take decisions about the usage of economic resources.

(……..)

Refer followings to answer question 2 and 3.

Transactions occurred in Erandi's business during the month of May 2026 are below.

A. Inventory item costs Rs 30 000 sold for Rs 50 000 on cash.
B. Credit purchases of trading inventory Rs 40 000.
C. Trading inventory of Rs 2 000, which purchased on credit was returned.
D. Rs.5 000 paid for insurance and Rs.1 000 from it is applied for next month.
E. Rs 18 000 was paid to creditor to settle the due of Rs 20 000.
F. Cash balance as at 2026.05.01 was Rs 10 000.

(2) Accounting equation which shows the net impact of transactions occurred in Erandi's business during May 2026 was

	Assets	=	**Liabilities**	+	**Equity**
1.	36 000	=	19 000	+	18 000
2.	36 000	=	18 000	+	18 000
3.	35 000	=	18 000	+	17 000
4.	36 000	=	18 000	+	17 000
5.	35 000	=	17 000	+	18 000

(……..)

(3) Net profit for the month of May 2026 of Erandi's business and Cash balance as at 2026.03.31 are

	Net profit	**Cash balance**
1.	18 000	35 000
2.	40 000	35 000
3.	20 0000	37 000
4.	18 000	37 000
5.	32 000	32000

(……..)

(4) Following transactions are related to credit sales of Dahami Traders.

A. Posting the total of sales journal
B. Preparing invoice for the goods sold to credit to Gayathri
C. Confirming the accuracy of recordings made for sold items
D. Recording the details related to sales made to Gayathri in Sales journal
E. Balancing off debtors' control account and sales account

Correct sequence of to above transactions accounting process order of

- Preparation of source document
- Record in to prime entry book
- Posting in to ledger accounts
- Balancing off ledger accounts
- Preparation of trial balance

1. D, B, A, C, E
2. B, D, A, E, C
3. B, A, D, E, C
4. D, A, B, E, C
5. B, A, D, C, E

(……..)

(5) Cash balance as at 2025.12.31 of Kevin Stores which started operations in December was Rs 210 000 credit and was not agreed to the balance of the bank statement due to following reasons.

- Total of cash receipts journal and cash payment journal for the month were Rs 150 000 and Rs 160 000.

- Issued cheques of Rs 75 000 was not presented till 2025.12.31.
- Deposited cheques of Rs 90 000 were not realized till 2025.03.31.
- On 2025.12.20 deposited cheque of Rs 38 000 was dishonoured.
- Rs 160 000 was directly remitted and credited to bank account for dividend income and Rs 42 000 was paid for insurance as per standing order.

Adjusted cash balance and bank statement balance as at 2025.12.31 are

	Adjusted bank balance as at 2025.12.31	**Bank statement balance as at 2025.12.31**
1	30 000 Credit	35 000 Unfavorable
2	30 000 Debit	25 000 Favorable
3	130 000 Credit	135 000 Unfavorable
4	54 000 Debit	59 000 Favorable
5	130 000 Credit	45 000 Unfavorable

(…….)

(6) Drafted net loss for the year ended 2026.03.31 of Sethumi Traders was Rs. 25 000 and following errors and mistakes were found later:

1) Prepaid advertising balance of Rs. 4 000 as at 2025.04.01 was posted to the credit side advertising expenses account.
2) Total of discount column of the Rs. 8 000 in the discount column of the Cash Payment Journal was recorded as discount allowed.
3) Furniture account balance as at 2026.03.31, Rs. 500 000, it included furniture purchased on 2025.10.01 of Rs 300 000. Furniture was depreciated on 2026.03.31 by 10% disregarding a purchase date.

Adjusted profit/loss for the year ended 2026.03.31 and the balance available in suspense account were:

	Corrected Net Profit/Loss	Balance available in Suspense A/c
1.	Rs. 26 000 Loss	Rs. 8 000 Cr
2.	Rs. 56 000 Profit	Rs. 8 000 Dr
3.	Rs. 2 000 Loss	Rs. 8 000 Dr
4.	Rs. 6 000 Loss	Rs. 8 000 Cr
5.	Rs. 2 000 Profit	Rs. 8 000 Dr

(…….)

(7) Cost of inventory as at 2026.03.31 was Rs. 800 000 and which had net realisable value of Rs 750 000. Concepts applied in relation to adjustments made against sales referring to cost of Rs. 800 000 and showing net realizable value of Rs. 750 000 in current assets are, in order:

1. Matching concept and Prudence concept
2. Matching concept and Going concern concept
3. Accrual concept and Matching concept
4. Prudence concept and Matching concept
5. Historical cost concept and Prudence concept

(…….)

(8) Accounting procedures applied are below.

A. Factory building was completely destroyed due to a "Ditwa" during the financial year ended 2026.03.31, but assets and liabilities were still categorized as current and non-current when preparing financial statements.

B. Not recognized in financial statements an asset obtained under right to use agreement as it is not legally owned.

C. Inventory valuation policy changed from FIFO to WAC year by year

Accounting concept violated in the following occasions in order:

1. Going Concern, Substance over form, Consistency
2. Periodicity, Disclosure, Consistency
3. Going Concern, Disclosure, Consistency
4. Going Concern, Accrual, Disclosure
5. Accrual, Substance over form, Consistency

(…….)

(9) Inventory as at 31.03.2026 Keshana Traders was not assessed and physical verified on 26.04.2026 for Rs.150 000.

Following transactions were occurred during 31.03.2025 to 26.04.2026.

Cash purchase	Rs. 35 000
Cash Sales	Rs. 140 000
Return outwards	Rs. 4 000
Goods in transit as at 2026.04.26 out of purchases	Rs. 5 000

Sales were made by having a 25% profit on cost.

Inventory as at 2026.03.31 is

1. Rs 26 000
2. Rs 229 000
3. Rs 231 000
4. Rs 236 000
5. Rs 224 000

(……..)

(10) Details related to the year ended 2026.03.31 of Sawinga Industries, a manufacturing business, are below.

	Rs'000
Direct material cost consumption	80
Direct labor cost	250
Cost of material consumption	360
Variable manufacturing overhead	100
Fixed manufacturing overhead	120
Fixed non-manufacturing overhead	240
Decrease in WIP	100
Opening finished goods (300 units)	150

- 1 500 units were sold during the year and 2 000 units were produced during the year.
- Company started to purchase finished goods from the year starting 2025.04.01 and finished goods worth Rs 200 000 was purchased during the year (All were sold during the year)

Cost of manufacturing and cost of sales for the year ended 2026.03.31 were:

	Cost of Manufacturing (Rs'000)	**Cost of Sales (Rs'000)**
1.	930	908
2.	830	1 030
3.	1 170	1 052
4.	730	788
5.	1 260	1 106

(…….)

(11) Carrying amount of trade receivables of Ruwina Traders as at 2025.03.31 was Rs 437 000. Transactions related to trade receivables of the year 2025/2026 are below.

Credit sales	Rs 540 000
Return Inwards	Rs 40 000

- Received money from debtors under 10% discount, discount offered during the year was Rs 20 000.
- A debtor with a due of Rs 13 000 who recognized as allowance for impairment loss as at 2025.03.31 was bankrupted.
- Policy of business is to maintain 5% allowance for impairment loss on trade receivable balance at the end of the period.

Distribution cost to be recognized in Statement of profit or loss for the year ended 2026.03.31 and Balance of allowance for expected impairment loss as a 2026.03.31 are

	Distribution Cost	**Balance of allowance for expected impairment loss as a 2026.03.31 Rs.**
1.	Rs. 35 000	Rs. 38 000
2.	Rs. 34 500	Rs. 37 350
3.	Rs. 28 350	Rs. 38 350
4.	Rs. 47 350	Rs. 37 350
5.	Rs. 56 350	Rs. 46 350

(…….)

(12) Which of the following statement is/are correct in reference to partnership Section 24 of Partnership Ordinance 1890:

A. Profit and losses to be shared according to capital contribution ratio.

B. 5% annual interest to be paid for loans provided by Partners in addition to capital.

C. Partners are not entitled to receive salaries for engaging in administrative activities.

D. 5% annual interest to be paid for the retained amount of equity of a retired partner.

1. A & D only 2. B & C only 3. A, B & C only
4. B, C & D only 5. A, B & D only (……..)

Refer following details to answer question No 13 - 14.

Rama and Seetha conduct a partnership business by sharing profit and losses equally. Balances obtained from their business as at 2025.04.01 are below:

	Rama **(Rs'000)**	Seetha **(Rs'000)**
Capital A/c	1 500	1 700
Current A/c	50 (Cr)	70 (Dr)

On 2025.04.01 Geetha was admitted to the business as a partner. Conditions agreed by them are below:

- Share profit and losses at 5:3:2 among Rama, Seetha and Geetha.
- Annual salary of Rs. 80 000, Rs. 70 000 & Rs. 50 000 to Rama, Seetha, and Geetha in order.

Goodwill was assessed as Rs. 800 000 on the admission of Geetha and agreed to adjust using capital accounts. Geetha provided Rs. 1 200 000 by cash as her capital contribution and goodwill share. Business earned a profit of Rs. 500 000 during the year ended 2026.03.31. Rama, Seetha, and Geetha made drawings of Rs. 20 000, Rs. 30 000 and Rs. 40 000 respectively

(13) Profit distributed to Rama for the year ended 2026.03.31 and current account balance of Seetha as at 2026.03.31 were

	Total profit distributed to Rama (Rs'000)	**Current A/c balance of Seetha (Rs'000)**
1.	150	200
2.	150	230
3.	230	200
4.	230	130
5.	230	230

(…….)

(14) Total equity of Geetha as at 2026.03.31

1. Rs 70 000 2. Rs 1 150 000 3. Rs 1 040 000
4. Rs 1 110 000 5. Rs 1 310 000 (……..)

(15) Which of the following statement is/are corrected as per "Conceptual framework for Financial Reporting"?

A. Both relevance and faithful representation to be preserved in order to consider an information suitable for decision making.
B. Statement of financial position exhibits the available resources of a reporting entity and the obligations to those resources for a particular date.
C. All financial statements are prepared on accrual basis

1. A only 2. C only 3. A & B only
4. B & C only 5. A, B, C & D all (……..)

(16) Which of the following statements are corrected in reference to LKAS 1- Presentation of financial statements

A. prescribes the basis for the presentation of such general-purpose financial statements of companies
B. Financial statements also show the result of management's stewardship of the resources entrusted to the management
C. Operating cycle is the length of time between the acquisition of property, plant & equipment and their realization into cash or cash equivalents.
D. Entity shall present an analysis of expenses recognized in profit or loss using a classification based on either their nature or their function within the entity.

1. A & B only 2. A & C only 3. A & D only
4. B & C only 5. A, B & D only (……..)

Use following information to answer question 17 and 18.

Following details are related to Lakindu PLC, a trading business for the year ended 2026.03.31.

Rs'000

Distribution expenses	300	Profit on disposal of Motor vehicle	200
Administration expenses	150	Income tax for the Year	150
Finance expenses	80	Retailed Earnings as at 2025.04.01	200
Other expenses	60	Ordinary Share capital as at 2025.03.31	700
Sales Revenue	1500	Interim dividend paid during year ended	
Gross Profit	800	2026.03.31	80

- Surplus of land revaluation for 1st time as at 2026.03.31 was Rs 300 000
- Deficit on motor vehicle for second time as at 2026.03.31 was Rs 160 000 and Surplus of motor vehicle revaluation for 1st time as at 2023.03.31 was Rs 120 000.
- All entries were correctly accounted.

(17) Total income and Profit for the year Rs 000ended 2026.03.31 were

	Total Expenses (Rs'000)	Profit for the year (Rs'000)
1.	1 280	330
2.	1 600	220
3.	1 680	220
4.	1 680	400
5.	1 600	330

(…….)

(18) Retained earnings as at 2026.03.31 and Total comprehensive income for the year ended 2026.03.31 were

	Retained earnings (Rs'000)	Total Comprehensive Income (Rs'000)
1	340	400
2	420	400
3	490	680
4	420	470
5	340	680

(…….)

(19) Which of the following can be considered as a change in accounting estimate as per LKAS 8- Accounting policies, changes in estimates and prior period errors

A. Transferring PPE depreciation from reducing balance method to straight line method
B. Changing the carrying value of a provision based on new information
C. Change from revaluation model to cost model for the subsequent measurement of Building
D. Change the rate applied for allowance for future loss on trade receivables

1. A, C & D only 2. A & C only 3. A, B & C only
4. B, C & D only 5. A,B & D only (……..)

(20) Following information related to inventories of Jay-Lanka PLC as at 2026.03.31

Group	Products	Quantity (in Units)	Unit Cost Rs	Unit Net Realizable Value Rs
A	A-1	1000	800	1000
	A-2	1500	600	500
B	B-1	1000	700	800
	B-2	2000	900	800

Company uses grouping method to decide the net realizable value of inventory referring to LKAS 2 - Inventories

Impact on net profit for the year ended 2026.03.31 due to stock adjustment due to stock adjustment and Value of inventory to be recognized as an asset as at 2026.03.31 are

	Impact on profit due to stock adjustment using grouping method (Rs'000)	**Value of inventory to be recognized as an asset using grouping method (Rs'000)**
1.	250	3 850
2.	250	4 100
3.	100	3 850
4.	100	4 200
5.	100	4 100

(……..)

(21) Financial statements for the year ended 2026.03.31 of Nelu PLC were 2026.04.20 and approved by board of directors on 2026.06.15 Events occurred within that period given below.

A. Received the court order relating to bankruptcy of a trade debtor with a due balance as at 2026.03.31
B. Inventory which was written off to its net realizable value of Rs 370 000 as at 2026.03.31 was sold for Rs 355 000 on 2026.04.19
C. Market value of Investment increased by Rs 200 000 on 2026.05.20 as per records
D. Board of directors decided final dividend of Rs 150 000 to ordinary shareholders

Non-adjusting events as per LKAS 10 – Events after the reporting date are

1.	A & B only	2.	C & D only	3.	A, B & D only
4.	A only	5.	B,C & D only		(……..)

(22) A land of Rs 8 000 000 was acquired by Senani PLC on 2025.04.01 for the purpose of constructing a building. Followings expenses were spent later.

	Rs'000
For land development	800
Building planning charges	200
Building construction cost	18 500
General administration expenses for the use of building	300
Building opening expenses	400

- Initial construction of building was finished on 2025.06.30 and it was brought to the usable condition on 2025.09.30. Estimations for salvage value and present value of dismantling at the end of useful life time of 20 years are Rs 1 200 000 Rs Rs 500 000 expenses at the end of use

In reference to LKAS 16- Property, Plant and Equipment, the cost of the building and the carrying amount as at 2026.03.31 were

	Cost (Rs'000)	**Carrying amount as at 2026.03.31 (Rs'000)**
1.	19 200	18 750
2.	19 200	18 300
3.	20 000	19 530
4.	20 000	19 000
5.	28 000	27 550

(…….)

(23) 2025.04.01 Charika Transport Agency purchased a metro bus by entering in to a right of use agreement, initial payment was made for Rs 12 000 000. Net present value of lease payments as at 2025.04.01 was Rs 56 500 000. Lease period is 5 years. Ownership of the asset is transferred to company at the end of lease period. Annual lease instalment is Rs 15 000 000. First instalment was settled on 2026.03.31

Interest included in lease instalments are as follows.

Year	**1**	**2**	**3**	**4**	**5**
Interest (Rs'000)	4500	3600	2700	1800	900

Cost of metro bus as at 2025.04.01 and Non-current Liability of lease creditor as at 2026.03.31 as per SLFRS 16- Assets on Right of use were

	Cost of metro bus (Rs'000)	**Non-current Liability of lease creditor as at 2026.03.31 (Rs'000)**
1	68 500	31 000
2	68 500	46 000
3	68 500	34 600
4	56 500	46 000
5	56 500	58 500

(…….)

(24) Following details are relating to Equity of Leyon PLC as at 2025.04.01

Stated capital (25 000 Ordinary shares)	Rs 2 500 000
General reserves	Rs 800 000
Retained Earnings	Rs 475 000

- On 2025.07.01 company capitalized its general reserves by offering 1 ordinary share for every 5 shares held at 2025.04.01 at a consideration of Rs 100 per ordinary share.
- On 2026.01.01 company made a right issue for 1 ordinary share for every 10 shares held at a consideration of Rs 80 per ordinary share. All offered shares were purchased by shareholders

- Loss for the year ended 2026.03.31 was Rs 35 000 and the total comprehensive income was Rs 65 000, Rs 60000 was distributed as dividends during the year.

Stated capital and total equity as at 2026.03.31 were

	Stated capital as at 2026.03.31 (Rs'000)	**Total equity at 2026.03.31 (Rs'000)**
1.	2 950	3 980
2.	2 950	3 910
3.	2 970	3 930
4.	2 970	4 000
5.	3 000	4 000

(…….)

(25) Details related to Tharaka PLC for the year ended 2026.03.31 are below:

	Rs'000
Cost of sales:	2 600
Current assets and current liabilities as at 2026.03.31	
• Inventory	500
• Pre-paid expenses	200
• Cash & cash equivalents	400
• Trade receivables	800
• Current liabilities	600
Current assets and current liabilities as at 2025.04.01	
▪ Trade receivables	500

All sales are on credit and gross profit margin 20%.

- Debtors' turnover ratio and quick assets ratio are

	Debtors' Turnover ratio	**Quick asset ratio**
1.	4 Times	2 Times
2.	5 Times	2.6 Times
3.	4 Times	1.8 Times
4.	6.5 Times	2 Times
5.	5 Times	2 Times

(…….)

(26) Following details are related to a production agency operated with a manufacturing cost center and a service center.

Budged production	8 000 units
Prime Cost:	Rs. 600 000
Budgeted overhead cost:	
Manufacturing Cost Center:	Rs. 350 000
Service Cost Center:	Rs. 50 000

Overhead cost of manufacturing center is absorbed using direct labor hours. Budgeted and actual direct labor hours to complete one unit are 5 hours and 4 hours respectively.

Overhead absorption rate per direct labor hour and Unit cost of production are:

	Overhead absorption rate per direct labor hour	**Unit cost of production**
1.	8. 75	110
2.	10	115
3.	11.25	120
4.	10	40
5.	8.75	35

(…….)

(27) Which of the above statements are corrected?

A. Production supervisor salary is a periodic cost.
B. Direct labor cost is always variable.
C. Abnormal losses are controllable costs.
D. Sunk cost is irrelevant cost.

1. B & C only 2. A & B only 3. A & C only
4. B & D only 5. D only (……..)

(28) Which of the following statement is/are corrected related to Cost-Volume-Profit Analysis?

A. Profit earning is started beyond the break-even point.
B. Increase in sales volume causes a decrease in break-even point.
C. Margin of Safety can be increased by reducing total fixed cost.
D. Margin of safety ratio can be calculated by dividing fixed cost of business by contribution margin.

1. A & C only 2. B & D only 3. B, C & D only
4. A, C & D only 5. A, B & C only (……..)

(29) Details related to a Dimansa PLC which produces single product given below.

Budgeted production in units	30 000
Contribution Margin	60%
Unit selling price Rs	200
Fixed cost Rs	2700 000

Break-even point and Margin of safety in units are

	Break-even point in units	**Margin of safety in units**
1	7 500	22 500
2	28 380	1 620
3	4 500	25 500
4	22 500	4 500
5	22 500	7 500

(…….)

(30) Which of the following statement is/are corrected in relation to appraisal of long-term investment, payback period is the

A. Duration spend to cover the cost of expected is asset to interest.
B. When net present value of several projects are with negative figures, a project with the lowest net present value shall be selected.
C. Cash Flow can be calculated by adding depreciation to the profit for the year, in net present value method.
D. Accounting Rate of Return is the ratio when the net present value becomes zero.

1. A & C only 2. A & B only 3. C only
4. A, B & C only 5. B C & D only (……..)

Marks for Multiple Choice Questions […… X 4 = ……]

Write down short answers for questions31 to 50 on dotted lines.

(31) State the environmental factors affected in each of the variable below.

	Variable	Environmental Factor
A	Introduction of accounting techniques	
B	Amendments in Inland Revenue Act	
C	Changes in tax policies of government	
D	introduction of new technological equipment	

(32) Transactions occurred in Pramod's business for the month of May 2025 are below:

A. Stock Cost Rs. 30 000 was sold on cash for Rs. 50 000.
B. Credit purchases of stocks for Rs. 40 000.
C. Return outwards of stocks worth Rs.2 000.
D. Paid Rs. 5 000 of insurance, Rs. 1,000 from it is applied for the month of June.
E. Rs 18 000 was paid to trade payables to settle due of Rs 20 000.

Required:

A) Show the impact of above transactions on the accounting equation as at 2025.05.31

Assets	=	Liabilities	+	Equity
……		……		……..

B) Net profit for the month ended 2025.05.31. ……

(33) Net profit for the year ended 2026.03.31 of Mahi Traders was drafted as Rs. 120 000 ignoring the figures below:

Return inwards	4 000
Capital	160 000
Accumulated depreciation for Building	12 000
Drawings	10 000
Impairment loss	3 300

(A) Closing Entry for income and expenses accounts given above (Narration not required)

Description	Dr	Cr

(B) Correct Equity statement as at 2026.03.31 - ……

(34) Mention accounting concept applied in the following situations:

	Situation	Concept Applied
A	Recognition of liability for present obligation raised due to contractual obligations.	
B	Goods sent under sale or return basis to agents are not recognized as income.	
C	Making provisions for the warranty certificates offered for customers out of profit.	
D	Recognize resources provided by owner to business as additional capital and resources taken by owner for personal use as drawings.	

(35) Lithuli Service is a computer repair shop. Name the source documents applied in transactions below.

	Transaction	Source Document
A	Purchase of computer repair materials on credit.	
B	Recording the cash discount collected from supplier.	
C	Makin an allowance for expected impairment loss from trade receivables.	
D	Paid Rs 1 500 to a creditor by petty cashier.	

(36) Sanda_Hiru Sports club collected a building fund of Rs 2 000 000 on 2025.04.01 by referring to donations from members and well-wishers. During the year ended 2026.03.31 Rs 200 000 was spent and partly completed construction of building. Policy of the club relating to donations is to recognize the equivalent amount of used amount from donations as income. Write down the journal entries applied in following transactions.

	Description	Dr **Rs'000**	Cr **Rs'000**
A	(Accounting for cost of building)		
B	(Recognition of income referring to donation)		

Refer following details to answer questions 37 & 38.

Conditions agreed by Anjana, Sanjana, and Ranjana who equally share profit from the partnership are below:

- 10% Interest on capital on opening capital balance.
- 10% interest for loans by partners other than capital.
- Annual salaries of Rs. 120 000, Rs. 180 000, and Rs. 200 000 respectively to Anjana, Sanjana, and Ranjana, respectively.

Balances as at 2025.04.01:

	Anjana	Sanjana	Ranjana
Capital A/c (Rs'000)	3 000	2 800	2 600
Current A/c (Rs'000) Cr	100	60	120

Additional Information:

- Sanjana provided a loan of Rs. 1 1200 000 on 2025.07.01. Interest is not paid or accounted
- Drawings made by Anjan, Sanjana and Ranjana are Rs 150 000, Rs 140 000 and Rs 130 000 respectively.
- Drafted profit for the year ended 2026.03.31 was Rs 1 520 000
- On 2026.03.31 Ranjana retired from the partnership and total amount due to Ranjana of Rs 3 230 000 was transferred to a loan account, goodwill was adjusted through the capital account at his retirement.

(37) Calculate Current account balances as at 2026.03.31

A. Current account balances of Sanjana as at 2026.03.31 ……

B. Current account balances which transferred to capital account at 2026.03.31 ……

(38) **Calculate**

A. Estimated goodwill of partnership business …….

B. Capital account balance of Anjana as at 2026.03.31 ……..

(39) Refer following terms and fill with suitable words

A. …… is an enhanable qualitative feature of accounting information

B. Both …….. and faithful representation are necessary to recognize elements of financial statements.

C. …… and ……. Are th e measurement bases used ro recognize elements of financial statements.

(40) Parakum PLC, which initiates its operations on 2025.04.01, provides following details for the first year:

	Rs'000
Profit for the year	330 000
Expected impairment loss	4 000
Profit on machine disposal	37 000

Income Tax payment	65 000
Interest payment	60 000
Accrued Interest Expense	10 000
Inventory	40 000
Trade Receivables (Carrying Amount)	30 000
Trade Payables	20 000
Prepaid income tax	5 000

Required:

Net cash flow from operations for the year ended 2026.03.31 as per LKAS 7 statement of cashflow,

…….

(41) Following details are related to Yasas PLC. State the items given can be recognized as provision/ contingent liability or contingent asset as per LKAS 37.

Item	Provision/ contingent liability/contingent asset
A. Reliable estimation of the repairing cost that to be bear for the sale of goods under warranty certificates	……
B. A proceeding case against the business requesting compensation by ex-employee	……
C. Amount to be spent for bonus as per the published policy of company and the amount was reliably estimated.	……
D. A proceeding case filed by Yasas PLC against competitor by requesting compensation for violating product rights.	…….

(42) Kiyara PLC produces a machine with new technology to manufacture milk sachet packets, machines sold are installed by the company with the support of trained engineers and provide four free maintenance service sessions over 1 year period from the date of installation. Selling price of a machine, installation charges of a machine and cost of one service session for a machine are Rs 2 100 000, Rs 300 000 and Rs 150 000 in normal condition. Company enters into an agreement on 2025.06.01 to provide 4 machines for a transaction price of Rs10 000 000 and collected whole price at agreement date. On 2025.09.30 machines were supplied and installed. 2 service sessions were completed till 2026.03.31

Calculate followings as per SLFRS 15- Revenue from agreement with customers

A. Total revenue to be recognized for the year ended 2026.03.31 ……..

B. Unearned income as at 2026.03.31 …….

(43) Refer following terms and fill with suitable word.

(cost/ fair value/ reliably/ carrying amount/ fairly/ retrospective application/ future economic benefits/retrospective re-statement)

A) Applying the effect of change occurred due to change in accounting policy as the new accounting policy had been used in previous years is ……
B) Inventory of a service providing business shall be valued at its ……..
C) If subsequent cost caused to increase ……. of property, plant and equipment item, and it if is …… measured it shall add to the carrying amount of the related item.

(44) State the effect on inventory turnover ratio due to following transactions (mention the effect as 'increase', 'decrease' or 'no change').

	Transaction	Effect
A	Selling goods on credit	
B	Credit purchases	
C	Spending for sales expenses	
D	Return outwards out of credit purchases	

(45) Details of Vasana PLC for the year ended 2026.03.31 are below.

Current Ratio (in times)	1.5	Current Liabilities (Rs 000	500
Total Assets (Rs 000)	2000	Non-current Liabilities	
		- Bank Loan (Rs 000)	650

Return on Assets 15%

Calculate followings for the year ended 2026.03.31

A) Current Assets (Rs'000) ……
B) Total Equity (Rs'000) ……..
C) Return on Equity (%) …….

(46) Holding cost of a material item at Economic Order Quantity is Rs 15 000. Unit holding cost was Rs 500. Cost of an order is Rs 1 500

Calculate

A) Economic Order Quantity ……..
B) Number of Orders for a year …….

(47) Extracts from a paysheet for the month of May of a company below.

	Rs'000
EPF contribution	
- Employer	1 200
- Employee	800
Net salary paid	8 200

Additional information

Contribution for Employee Provident Fund (EPF) is 8% and 12% by employee and employer. Contribution for Employee Trust Fund is 3%. Rs 1 000 000 was deducted for festival advances.

Calculate total salary expense for the month of May ……..

(48) Details of a manufacturing business which produce single product for the year ending 2026.03.31 given below.

Per unit requirement	
- Direct material	Rs 120
- Direct labor	Rs 135
Variable manufacturing overhead	Rs 75
Variable non-manufacturing overhead	Rs 150
Fixed manufacturing overhead	Rs 99 000
Fixed non-manufacturing overhead	Rs 135 000
Annual production in units	600 (All were sold within the period)

Calculate

A) Unit cost of production Rs…….

B) Profit from a unit at selling price of Rs 900 Rs…….

(49) Details related to a manufacturing agency which produce one type of product given below:

Production level (units):	Total cost: **Rs'000**
11 500	10 000
15 500	11 600

- Contribution margin ratio: 60%

Calculate:

A) Variable cost per unit: Rs. ……..

B) Selling price: Rs. …….

C) Break-even point (Units): ……

(50) Expected accumulated cash flows from a machine from year 1 to year 5 with initial investment of Rs.3 000 000 given below. Salvage value of the machine is Rs. 600 000.

Year	Accumulated Cash Flow (Rs.)
1	9 000 000
2	18 600 000
3	30 000 000
4	45 000 000
5	51 000 000

Calculate:

A) Pay Back Period ……..

B) Accounting Rate of Return on Average investment ……..

Marks for short answer Questions [……]

සියලු ම හිමිකම් ඇවිරිණි/முழுப் பதிப்புரிமையுடையது / All Rights Reserved

අධ්‍යාපන, උසස් අධ්‍යාපන හා වෘත්තීය අධ්‍යාපන අමාත්‍යාංශය
கல்வி, உயர்கல்வி மற்றும் தொழிற்கல்வி அமைச்சு
Ministry of Education, Higher Education and Vocational Education

අධ්‍යයන පොදු සහතික පත්‍ර (උසස් පෙළ) උපකාරක තක්සේරුව , 2026
கல்விப் போதுத் தராதரப் பத்திர (உயர் தரப்) கற்றலுக்கான உதவி மதிப்பீடு , 2026
General Certificate of Education (Adv. Level) Supportive Assessment, 2026

ගිණුම්කරණය I I
கணக்கியல் I I
Accounting I I

33	E	II

පැය තුනයි
மூன்று மணித்தியாலம்
Three hours

අමතර කියවීම් කාලය - මිනිත්තු 10 යි
மேலதிக வாசப்ப நேரம் - 10 நிமிடங்கள்
Additional Reading Time - 10 minutes

Use *the extra reading time to read the question paper, select questions, and organize the questions that will be prioritized when writing answers.*

The use of non-programmable calculators is permitted.

Instructions:

- *Answer **5 questions** including **Question No 1 and 2***
- *Begin each answer on a **fresh sheet** of paper.*
- *Relevant workings should be attached to the answer script.*
- *This question paper carries **200** marks.*

1. Lakith PLC is engaged in the distribution of sewing machines, as well as providing repair and maintenance services. The following is the trial balance extracted as at 2026.03.31. The company is registered for an 18% VAT. The company directors approved the financial statements on 2026.06.30.

Description	Debit (Rs. '000)	Credit (Rs. '000)
Sales inclusive of VAT		115 227
Cost of Sales	77 500	
Distribution Cost	8 200	
Administrative Expenses	7 900	
Finance Costs	2 950	
Other Expenses	1 250	
Other Income		165
Trade Receivables / Trade Payables	6 500	3 200
Inventory as at 2026.03.31	3 500	
VAT on Purchases	9 400	
Stated Capital - Ordinary Shares		23 000
Property, Plant and Equipment Carrying Amount as at 2026.03.31	21 750	
Cash and Cash Equivalents	2 250	
Retained Earnings		3 008
10% Loan		3 000
Provision for Warranties as at 2025.04.01		750
Provision for Income Tax as at 2025.04.01		650

Allowance for Impairment Losses as at 20250.04.01		1 000
VAT Remittance	5 500	
Income Tax Paid	1 500	
Interim Dividends Paid	1 800	
Total	150 000	150 000

Additional Information:

I. In preparing the financial statements for the year ended 2026.03.31, the following adjustments must be considered: Items nearing expiry, which were included in the inventory as at 2026.03.31 at a cost of Rs. 1,000,000, were sold on 2026.04.26 for Rs. 1,200,000 after incurring an additional cost of Rs. 300,000.

II. On 2026. 03.03, the company entered into an agreement to supply 02 sewing machines for a total value of Rs. 1,357,000 (inclusive of VAT). According to the agreement, the two machines were supplied on 2026.03.20, and installation was completed within 10 days from that date. The total value of the contract was received on 20.03.2026, which includes the annual value of repair and maintenance expenses agreed to be performed once every 03 months starting from 2026.06.30, amounting to Rs. 150,000 (exclusive of VAT). The total contract amount was recorded as cash sales on 2026.03.20.

III. The composition of Property, Plant, and Equipment included in the above trial balance is as follows:

Asset	**Value as at 2026.03.31 (Rs. '000)**	**Accumulated Depreciation as at 2026.03.31(Rs. '000)**
Buildings	15 750	2 250
Machinery	7 500	3 000
Office Furniture	5 250	1 500
Total	28 500	6 750

- Buildings, which were revalued at Rs. 25,000,000 on 2022.04.01, have been revalued for the second time as at 2025.04.01 with a deficit of Rs. 1,750,000. The surplus of Rs. 1,000,000 arising from the first revaluation has been correctly accounted for in that year. Following the first revaluation, buildings had been depreciated at 10% per annum. The revaluation value determined on 2022.04.01, the revaluation carried out on 2025.04.01, and the depreciation for the year ended 2026.03.31 have been correctly calculated and accounted for.
- During the current year, machinery should have been depreciated at 10% per annum on the reducing balance method, but it has been depreciated at 10% per annum using the straight-line method. However, depreciation up to 2025.03.31 has been correctly calculated and accounted for.
- The useful life of office furniture is 15 years with no residual value. On 2026.03.31, office furniture worth Rs. 1,500,000 was purchased, and this has been correctly accounted for.
- The sale of a motor vehicle owned by the entity on 2025.04.01, which had a cost and carrying value of Rs. 5,000,000 and Rs. 2,000,000 respectively, has been correctly recorded. The resulting profit of Rs. 300,000 has been deducted from distribution expenses.

- The calculated depreciation expense relating to items of property, plant, and equipment is included in administrative expenses.

IV. Lakith PLC acquired a motor vehicle under a lease facility on 2025.04.01. The lease term related to this is 4 years. The useful life of this motor vehicle is 10 years. The relevant details are given below:

- Down payment: Rs. 2,000,000
- Annual lease rental: Rs. 1,500,000 (payable from 2026.03.31onwards)
- Initial direct costs incurred by Kapila PLC: Rs. 500,000
- Present value of lease payments as at 2025.04.01: Rs. 4,500,000
- Interest rate implicit in the lease: 10%

The down payment and the initial direct costs have been included in finance costs, and the lease rental paid on 2026.03.31, has been included in distribution costs. No other entries have been recorded in the books. It has been agreed to transfer the legal ownership of the asset to the lessee at the end of the lease period.

V. The company provides a 5-year warranty to customers when selling goods. During the current year, Rs. 600,000 was paid as repair costs for goods sold under warranty, and it is included in distribution costs. The provision for warranties as at 2026.03.31 is estimated to be Rs. 1,000,000.

VI. On 2026.05.25, a court judgment declared a trade debtor who owed Rs. 500,000 as at 2026.03.31 bankrupt. An allowance of 10% on the remaining trade receivables balance should be maintained as at 2026.03.31

VII. The monthly net salary paid to employees after deducting the 10% Employees' Provident Fund (EPF) contribution, amounting to Rs. 630,000, is included in administrative expenses. The employer's contribution to EPF and Employees' Trust Fund (ETF) is 15% and 3% of the basic salary respectively. The contributions relevant to the current month are remitted during the following month.

VIII. The income tax paid during the year includes Rs. 600,000 paid for the year ended 2025.03.31 The total income tax assessment for the current year is Rs. 1,350,000.

IX. The half-yearly bank loan interest paid on 2025.09.30 is included in finance costs. No bank loan repayments have been made during the current year.

X. **(i)** On 2026.01.01, a rights issue was made in the proportion of 1 new ordinary share for every 5 existing ordinary shares held. The number of ordinary shares outstanding before the rights issue on 2026.01.01 was 50,000. The consideration for an ordinary share in the rights issue was fixed at Rs. 300. All rights shares were purchased by the shareholders, and the rights issue has been correctly accounted for.

(ii) The Board of Directors has proposed a dividend of Rs. 12 per ordinary share as at 2026.03.31

Required:

In accordance with **LKAS 1 (Presentation of Financial Statements)** for publication purposes, prepare the following financial statements (including notes) for **Lakith PLC**:

1. **Statement of Profit or Loss and Other Comprehensive Income** for the year ended 2026.03.31
2. **Statement of Financial Position** as at 2026.03.31
3. **Statement of Changes in Equity** for the year ended 2026.03.31

(40 Marks)

2. (A) Vikum PLC (Ltd) manufactures two types of school bags, named 'S' and 'L'.

The company consists of two production departments (cost centers), namely **Production Department 01** and **Production Department 02**, and one service cost center named **Stores**.

The two production departments are located within the factory building, while the stores department is located in a separate building.

The company has provided the budgeted cost information for the production of 1,000 'S' type school bags and 500 'L' type school bags.

I.

Overhead Cost Item	**Amount (Rs.)**
Building Rent - Factory	140 000
- Stores	20 000
Electricity - Factory	100 000
- Stores	20 000
Stores Maintenance	35 000
Employee Welfare	84 000
Machinery depreciation	104 000
Building Insurance	96 000

II. The following budgeted information related are provided

Particulars	**Production Dept 01**		**Stores**
	Dept 01	**Dept 02**	
Indirect Wages (Rs.)	120 000	42 000	15 000
Floor Area (Square feet)	4 000	3 000	1 000
Electricity Consumption (kWh)	800	800	100
Number of Employees	3	3	1
Cost of Machinery (Rs.)	424 000	212 000	212 000
Budgeted Machine Hours	8 000	4 000	
Budgeted Direct Labor Hours	2 000	4 000	

III. Secondary apportionment (re-allocation of service department costs) should be carried out based on a **1:1 ratio** between Production Department 01 and Production Department 02.

IV. Overhead costs are absorbed based on **Machine Hours** for Production Department 01, and based on **Direct Labor Hours** for Production Department 02.

V. **Information related to the production of 'S' and 'L' school bags during the year:**

Cost / Operational Information	**S**	**L**
Direct Materials	Rs. 395	Rs. 650
Direct Labor	Rs. 200	Rs. 300
Actual Time Spent:		
- Production Department 01	05 Machine Hours	07 Machine Hours
- Production Department 02	04 Direct Labor Hours	05 Direct Labor Hours
Actual Production	800 bags	450 bags
Non-Manufacturing Overheads:		
- Variable Overheads (per bag)	Rs. 100	Rs. 200
- Fixed Overheads	Rs. 200,000	Rs. 300,000

VI. The profit margin on the selling price of a bag is 25%.

Required:

1. **Overhead Apportionment/Analysis Sheet**, clearly showing the bases of apportionment.
2. **Overhead Absorption Rate (OAR)** for Production Department 01 and Production Department 02.
3. The **Production Cost** of a type 'L' school bag.
4. The **Selling Price** of a type 'S' school bag.

(28 Marks)

(B) A manufacturing business which operates 6 days for a week manufactures a product named 'P' using 8 kg of raw material item named “M”. Relating to a purchase order for raw material M, average and maximum lead time are 5 days and 6 days respectively. Re-order quantity of raw material is 15 000 units. Weekly the minimum and the maximum production of this product is 1 875 units and 2 400 units respectively. To manufacture one unit of this product, 8 Kg of raw material "m" is required.

Required:

In relation to raw material "M", calculate:

a) Re-order Level

b) Minimum Stock Level

c) Maximum Stock Level

d) Average Stock Level

(12 Marks)

3. **(A)** Asiri Catering Service, maintained by Asiri, supplies cooked food. The balances as at 2026.01.01 and the transactions during the month are entered in the following accounting equation.

Rs '000

Balance / Transaction No.	**Assets**					**Liabilities**			**Equity**
	PPE	**Inventory**	**Trade Receivables**	**Prepaid Expenses**	**Cash**	**Bank loan**	**Trade Payables**	**AdvanceReceived**	
Opening Balance	2000	200	200	80	500	300	600	80	2000
1		+160			-50		+110		
2	1500				-300	-1200			
3		-200			+250				+50
4					-3				-3
5				-10	-25				-35
6					-27.5	-20			-7.5
7		-25							-25
8		-5					-5		
9		-75			+100			-20	+45
10					+10				+10
11				-10					-10
12		+120			-75		+45		
13			-100		+95				-5
14		-30	+20		+40				+30
Closing Balance	3500	145	110	60	514.5	1480	750	60	2049.5

Additional Information:

1) Transaction No.4 does not affect the profit.
2) Transaction No7 affected to the profit.
3) The policy of the entity is to depreciate Property, Plant, and Equipment (PPE) at 6% per annum. Assume that purchase of furniture was occurred at the beginning of the month.

Required:

1) Write down the corresponding transactions from 1 to 14 respectively, based on the above accounting equation.
2) Prepare the Income Statement for the month ended 2026.01.31

(25 Marks)

(**B**) As at 2025.04.01, the total number of members in the Deepthi Sports Club was 80. The accumulated fund on that date was Rs. 300,000. The following information relates to the year ended 2026.03.31

I. The monthly membership fee is Rs. 1,000. At the beginning of the current year, 20 new members joined the club by paying an admission fee of Rs. 3,000 each. The manner in which they paid their membership fees is shown below:

Number of Members	Number of Months
12	12
5	8
3	14

7 members who were available as at 2025.03.31 had not paid their membership fees for 06 months of the previous year. Out of them, 05 members paid their dues during the current year. The remaining 02 members failed to pay and it was decided to cancel their membership during the current year. All other members paid their dues as expected and 5% discount is given to members who pay their fees fully at once, net subscription income is recognized as income of sports club.

II. There are 10 life members in the club as at 2025.03.31 who obtained their membership on 01.04.2020 by making a one-time payment for 10 years. The club's policy is to recognize this life membership fee as income equally over the years. Another 03 life members have obtained life time membership on 2025.04.01. they also paid 10 years subscription at once.

III. A member who went abroad donated a sum of Rs. 150,000 to the club on 2025.04.01 to purchase library books. From this amount, Rs. 25,000 was spent to buy a bookshelf for the library, and the remaining balance was used to purchase books.

IV. Sports equipment worth Rs. 125,000 was purchased on 2025.04.01 by utilizing Rs. 100,000 from the Sports Fund. The useful life of the sports equipment is 10 years and no salvage value

V. The operating expenses of the sports club for the year ended 2026.03.31 amounted to Rs. 310,000. This does not include the annual depreciation for sports equipment and buildings.

VI. Policy of the club relating to donations is amount used from the fund is recognize as income in the year of use.

Required:

1. Membership Fees Account
2. Income and Expenditure Statement for the year ended 2026.03.31
3. Life Membership Fees Account
4. Equity / Accumulated Fund as at 2026.03.31

(15 Marks)

4. **A)** Minsara (Pvt) Ltd carries on a business of selling furniture. The business buys and sells furniture on credit as well as for cash. The business is registered for VAT, and an 18% VAT rate is applicable.

1. **The following balances are provided to you as at 2026.01.01**

		Rs 000
Property, Plant and Equipment		2 500
Accumulated depreciation on property, plant & Equipment		(500)
Trade Receivables (Debtors):		
- Roshana	100	
- Vishva	120	
- Shenal	200	420
Trade Payables (Creditors):-		
- Dilshan	140	
- Sonal	100	
- Nikol	70	310
Cash Account		130
VAT Control Account (Credit Balance)		38
Bank Loan		600
Accrued Electricity		45

2. Transactions that occurred during the month of January 2026:

Credit Sales

Customer	**Listed Price Exclusive of VAT**	**Trade Discount On without VAT price**	**Returns Inwards Listed Price**	**Cash Received**	**Cash Discount**	**Late payment charges**
Roshana	400 000	10%	20 000	247 000	5%	-
Vishva	360 000	5%	-	-	-	7 000
Nethma	230 000	-	30 000	-	-	5 000
Shenal	-	-	-	90 000	10 000	-

Credit purchases

Supplier	**Listed Price Exclusive of VAT**	**Trade Discount On without VAT price**	**Returns Outwards listed Price**	**Cash Paid**	**Cash Discount**	**Overdue Interest Payable**
Sonal	200 000	5%	60 000	63 000	10%	-
Dilshan	80 000	-	10 000	-	-	8 000
Randil	250 000	10%	80 000	-	-	-
Nicol	-	-	-	Opening balance	10%	-

Furniture with a listed price of Rs 700 000(without VAT) was purchased from Chanindu Suppliers on 2026.01.15. 10% trade discount was offered on without VAT price and supplier not charged VAT on this.

Other transactions that occurred during the month of January:

- Cash sales (inclusive of VAT): Rs. 566,400
- Cash purchases (exclusive of VAT): Rs. 240,000
- Property, Plant, and Equipment (PPE) is depreciated at 12% per annum on cost. operating expenses for January, including this depreciation charge, amounted to Rs. 183,150.
- No accrued operating expenses available as at 2026.01.31
- VAT remittance Rs. 35,000
- Paid a bank loan installment of Rs. 125,000, which includes an interest component of Rs. 25,000.
- Commission received: Rs. 24,000.

Required:

1. The following Prime Books (Journals) for the month of January:

a. Cash Receipts Journal
b. Cash Payments Journal
c. Purchases Journal
d. Sales Journal
e. General Journal *(Note: Opening entries and posting entries are not required)*

2. The following Ledger Accounts for the month of January:

I. Cash Account
II. Debtors Control Account (Trade Receivables Control)
III. Creditors Control Account (Trade Payables Control)
IV. VAT Control Account
V. Property, Plant, and Equipment Account (at Carrying Value)

(24 Marks)

(B) Dilmi Company is considering replacing its old machine by purchasing a new machine.

- The following information is provided to you regarding these two machines:

	Old Machine	New Machine
Purchase Price	-	6 400 000
Installation and Transport Costs	-	640 000
Site Preparation Cost	-	320 000
Working Capital	240 000	480 000
Useful Life (Years)	5	5
Scrap Value	0	360 000
Market Research Expenses (Already made)	-	100 000
Carrying Amount	600 000	
Present sales amount	860 000	
Tax payable on Sales	60 000	

Year	Cash Receipts (Old Machine)	Profit for the Period (New Machine)	Cash payments (Old Machine)	
			Cash Outflows (Old Machine)	Cash Outflows (New Machine)
1	800	675	400	700
2	700	300	300	600
3	600	525	500	800
4	800	450	300	300
5	900	675	500	900

1. Required Rate of Return is 12%:

Year	1	2	3	4	5
Discount Factor	0.89	0.80	0.71	0.64	0.57

2. Income tax is **25%** on the profit before tax of this project.

Required:

1. The **Initial Investment** of the project.
2. The **Accounting Rate of Return (ARR)** based on the Average Investment.
3. The **Net Cash Flows** of the new machine, clearly showing the net cash flow for each individual year.
4. **Net present value (NPV)** and Recommendation on whether to purchase the new machine or not, based on the **Net Present Value (NPV)** technique.
5. If the company intends to purchase the new machine, the **Maximum Price** they would be willing to pay for it based on the **Net Present Value (NPV)** technique.

(16 Marks)

5. (A) Sandaru, Isuru, and Miyuru are partners in a trading business. The terms of their partnership agreement are as follows:

- The profit and loss sharing ratio between Sandaru, Isuru, and Miyuru is 5:3:2 respectively.
- Partners are entitled to interest on capital at 10% per annum based on their adjusted capital account balances.
- Sandaru, Isuru, and Miyuru are entitled to a monthly salary of Rs. 15,000, Rs. 20,000, and Rs. 25,000 respectively.

The trial balance of the partnership business as at **2026.03.31** is given below:

Description	Debit (Rs. '000)	Credit (Rs. '000)
Property, Plant and Equipment (Carrying Value)	12 000	
Sales		22 000
Cost of Sales	14 500	
Inventory (On Physical Basis)	800	
Operating Expenses (Including Depreciation)	4 700	
Cash	2 400	

Trade Receivables (Debtors)	1 850	
Trade Payables (Creditors)		3 390
Loan Account - Sandaru (obtained on 01.04.2025)		2 400
Loan Repayment - Sandaru	640	
Current Accounts as at 2025.04.01:		
Sandaru		3 000
Isuru		2 500
Miyuru		2 700
Capital Accounts as at 2025.04.01:		
Sandaru		450
Isuru	50	
Miyuru		500
Total	36 940	36 940

Additional Information:

I. On 2025.04.01, Isuru retired from the partnership. To settle a part of his equity/claims, it was agreed to transfer equipment with a carrying amount of Rs. 1,500,000 to him for same amount, and the balance was transferred to a loan account.

II. On 2025.04.01, the goodwill of the partnership business was estimated at Rs. 2,500,000. It was agreed to adjust this through the partners' capital accounts.

III. Following Isuru's retirement, Sandaru and Miyuru decided to share profits and losses in a **3:2 ratio** and to continue the partnership business keeping all other terms and conditions unchanged.

IV. Sandaru and Miyuru have made drawings of goods amounting to Rs. 250,000 and Rs. 350,000 respectively. No accounting entries have been made for these transactions.

V. On 2025.07.31, $\frac{1}{4}$ th of Sandaru's loan balance was repaid along with the interest accrued up to that date. Interest paid amount included under operating expenses. The interest on the remaining loan balance has neither been paid nor adjusted in the books.

VI. A collection of Rs. 400,000 received from a debtor was taken by Miyuru for his personal use. No entries have been recorded in the books regarding this amount.

VII. From 2025.10.01 onwards, the business was relocated to a building owned by Sandaru. It was agreed to pay a monthly rent of Rs. 20,000, no payment or recording had been made for this.

VIII. Sandaru and Miyuru have drawn their half-yearly salaries, and these amounts have been recorded under operating expenses.

Required:

(1) The **Partnership Income Statement** (including appropriations to partners) for the year ended 2026.03.31

(2) The **Partners' Capital and Current Accounts** for the year ended 2026.03.31

(20 Marks)

(B) The Welfare Society of a school has organized a social gathering (get-together). The Welfare Society consists of 125 members. 10 teachers who retired during the past year are also scheduled to participate in this gathering. The estimated costs for the social gathering are as follows:

Item	Cost (Rs.)
Hall Rent	40 000
Sound System / Loudspeakers	18 000
Cost of a Souvenir	10 000
Food Cost per person	1 000
Souvenir Ribbon Cost per person	200

Additional Information:

I. It has been decided to charge Rs. 2,700 from each attending member for the social gathering, while the retired teachers will not be charged.
II. A souvenir (commemorative gift) will be presented to every retired teacher.
III. It has been decided that Rs. 20,000 of the hall rent will be borne by the Welfare Society's fund.
IV. It has been decided to provide a badge to every single person participating in the social gathering.

Required:

(1) Total amount of extra Fixed Cost of the social gathering.
(2) Contribution per member.
(3) The number of members who must participate in order to break-even (cover the total cost).
(4) The Margin of Safety value if 115 members participate in the social gathering.
(5) If 105 members participate in the social gathering, the amount that should be charged from a member to achieve a surplus of Rs. 22,500.
(6) If the Alumni Association (Old Boys'/Girls' Association) provides a sponsorship contribution to cover the expenses incurred on behalf of the retired teachers, and only 80 members participate in the social gathering, calculate the resulting surplus.

(20 Marks)

6. **(A)** Information relating to two companies for the year ended 31.03.2026 is given below:

For the year ended 31.03.2026:

	Chatura PLC Rs 000	**Varuna PLC Rs 000**
Gross profit	800	750
Operating expenses	2 500	2 350
Finance cost (Loan Interest)	50	60
Tax Expenses	80	40

As at 31.03.2026:

	Chatura PLC Rs 000	**Varuna PLC Rs 000**
Stated Capital (Rs. 100 Ordinary Shares)	10 000	8 000
Retained Earnings (As at 2025.04.01)	400	600
Long-Term Loans	4 000	5 000
Current Liabilities	150	120
Trade Receivables	250	300

Additional Information:

(1) The Gross Profit Margin for both companies is **25%**.

(2) No other income available in both companies

(3) All sales have been made on a **credit basis**.

(4) As at 2025.04.01, the Trade Receivables of Chatura PLC and Varuna PLC were Rs. 150,000 and Rs. 100,000 respectively.

(5) Retained Earnings were not used for any purpose than mentioned.

Required:

(1) Calculate the following financial ratios separately for both companies for the current financial year:

1. Interest Coverage Ratio
2. Debt to Equity Ratio
3. Return on Total Assets (ROA)
4. Earnings Per Share (EPS)
5. Debtors Turnover Ratio (Trade Receivables Turnover Ratio)

(2) State the name of the most appropriate company for each of the following scenarios, providing reasons for your answer:

1. The company with a higher ability to meet its debt obligations (Solvency/Liquidity position).
2. The company with High Leverage (Highly Gearing).
3. The company that collects cash faster from its debtors.

(15 Marks)

(B) The following information was extracted from the Statements of Financial Position of Manel PLC as at 2026.03.31 and 2025.03.31

Description	**2026.03.31 (Rs '000)**	**2025.03.31 (Rs '000)**
Property, Plant and Equipment (Carrying Value)	23 000	19 000
Right-of-Use Assets	4 000	5 000
Inventory	6 300	4 600
Trade Receivables	3 600	3 700
Prepaid Expenses	140	100
Cash and Cash Equivalents	1 300	-
Total Assets	38 340	32 400
Stated Capital - Ordinary Shares	14 340	10 500
Retained Earnings	7 600	5 200
Bank Loans	3 400	2 500
Lease Liabilities	4 000	5 000
Trade Payables	1 900	1 700
Income Tax Payable	7 100	6 200
Bank Overdraft	-	1 300
Total Equity and Liabilities	38340	32400

Additional Information:

I. The profit for the period ended 2026.03.31 is Rs. 7,700,000. The tax expense for the year is Rs. 1,300,000.

II. On 2026.03.31, a machine purchased on 2024.04.01 with an original cost of Rs. 1,500,000 was sold at a profit of Rs. 300,000. Machinery is depreciated annually at 10% per annum using the Straight-Line Method

III. The annual depreciation expense on Property, Plant, and Equipment (PPE) is Rs. 1,900,000. During the year, a revaluation deficit of Rs. 500,000 arose for the first time on PPE, which has been recorded under 'Other Expenses'. A motor vehicle was also purchased during the year.

IV. The lease installment paid includes an interest component of Rs. 200,000.

V. During the year, a capitalization of reserves (Bonus Issue) was carried out utilizing retained earnings, and an interim dividend was also paid.

Required:

Prepare the **Statement of Cash Flows** for Manel PLC for the year ended 2026.03.31 in accordance with **"LKAS 7 - Statement of Cash Flows"** standard. *(Use the **Indirect Method** to present cash flows from operating activities).*

(25 Marks)

සියලු ම හිමිකම් ඇවිරිණි / முழுப் பதிப்பரிமையடையது /All Rights Reserved

අධ්‍යාපන, උසස් අධ්‍යාපන හා වෘත්තීය අධ්‍යාපන අමාත්‍යාංශය
கல்வி, உயர்கல்வி மற்றும் தொழிற்கல்வி அமைச்சு
Ministry of Education, Higher Education and Vocational Education

අධ්‍යයන පොදු සහතික පත්‍ර (උසස් පෙළ) උපකාරක තක්සේරුව , 2026
கல்விப் போதுத் தராதரப் பத்திர (உயர் தரப்) கற்றலுக்கான உதவி மதிப்பீடு , 2026
General Certificate of Education (Adv. Level) Supportive Assessment, 2026

ලකුණු දීමේ පටිපාටිය

ගිණුම්කරණය I
கணக்கியல் I
Accounting I

33 **S** **I**

ප්‍රශ්න අංකය	පිලිතුරු අංකය	ප්‍රශ්න අංකය	පිලිතුරු අංකය	ප්‍රශ්න අංකය	පිලිතුරු අංකය
01.	4	11.		21.	5
02.	2	12.	2	22.	1
03.	4	13.	3	23.	3
04.	2	14.	4	24.	4
05.	3	15.	3	25.	5
06.	3	16.	3	26.	2
07.	1	17.	2	27.	5
08.	1	18.	1	28.	4
09.	4	19.	5	29.	5
10.	1	20.	3	30.	3

31. A. ශිල්පීය හා වෘත්තීය
    B. නෛතික
    C. ආර්ථික හා දේශපාලන
    D. තාක්ෂණික

32. අ) රු. 220 000
    ආ) රු. 1 020 000

33. අ) ලා/ලා 7 800
    ආපසු එවුම් 4 000
    අඩමාන ණය 3 000
    ආ) 262 700

34. A. යථානුරූපී
    B. උපලබ්ධි
    C. විචක්ෂණ
    D. ඒකක

35. .....

36. .....

37. සංජන රු.500 000
    රංජන රු.480 000

38. රු. 450 000
    රු. 2 925 000

39. A. කාලීන බව
    B. අදාළ බව
    C. ඓතිහාසික පිරිවැය, ප්‍රවර්ථන අගය

40. 138 000

41. ප්‍රතිපාදන
    අසම්භාව්‍ය වගකීම්
    ප්‍රතිපාදන
    අසම්භාව්‍ය වත්කම්

42. 9 000
    1 000

43. A. අතීතානුයෝගී භාවිතය
    B. පිරිවැය
    C. අනාගත ආර්ථික ප්‍රතිලාභ, විශ්වාසදායී බව

44. A. වැඩි වේ.
    B. වැඩි වේ.
    C. වෙනස් නොවේ.
    D. අඩු වේ.

45. අ) 750 000
    ආ) 850 000
    ඉ) 35.3%

46. අ) 60
    ආ) වාර 10

47. රු. 115 000

48. රු. 495
    රු. 30
49. අ) රු. 400
    ආ) රු. 1 000
    ඉ) ඒකක 9 000

50. අවුරුදු 3
    30%