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SOUTH EASTERN UNIVERSITY OF SRI LANKA

**SECOND EXAMINATION IN BACHELOR OF SCIENCE IN  
INFORMATION TECHNOLOGY FOR MANAGEMENT STUDIES –**

**2008 / 2009**

**SEMESTER –I, JUNE – 2010**

**ITMS 2133 - COMPUTERIZED ACCOUNTING SYSTEM**

**Answer All Questions.**

**Time: 03 Hours**

**Q-01.** From the following Information prepare a bank reconciliation statement of ABC Ltd as at 31.12.2009

- i. On 31<sup>st</sup> December 2009 the cash book of the firm showed a bank balance of Rs. 20,000.00( Debit Balance)
- ii. Cheques had been issued for Rs. 25,000.00 out of which cheque worth Rs. 12,000.00 were not presented for payment.
- iii. Cheque worth of Rs. 10,000.00 were deposited but not yet realized.
- iv. Bank statement showed bank charges of Rs. 1000.00 debited by the bank
- v. Bank paid insurance payment of Rs.6,000.00 was not recorded in the cash book
- vi. Bank collected the rent amounted to Rs. 8,000.00 recorded in the bank statement

(15 Marks)

**Q-02.** The following are the extracts from the financial statement of AI -Cober ltd

**Balance Sheet**

	<b>31.03.2010</b>	<b>31.3.2009</b>
<b>Current Assets</b>		
Cash & cash equivalent	30,000	7,500
Short term Investment	57,000	8,500
Debtors	170,000	120,000
Interest Receivable	10,000	-
Inventories	<u>90,000</u>	<u>195,000</u>
Investment	357,000	331,000
<b>Fixed Assets</b>	250,000	250,000
Fixed Assets		
Less: Accumulated Depreciation	218,000	191,000
	<u>-145,000</u>	<u>-106,000</u>
	<u>73,000</u>	<u>85,000</u>
	<b><u>680,000</u></b>	<b><u>666,000</u></b>

**Current Liabilities**

<b>Creditors</b>		
Interest Payable	15,000	189,000
Tax Payable	23,000	10,000
	<u>40,000</u>	<u>100,000</u>
Long Term Loan	78,000	299,000
<b>Share Holders Funds</b>	111,000	104,000
Share Capital		
Reserves	150,000	125,000
	<u>341,000</u>	<u>138,000</u>
	491,000	263,000
	<u>680,000</u>	<u>666,000</u>

Extracted income statement for the year ended 31.3.2010

Sales	3,065,000
Less: Cost of Sales	<u>-2,600,000</u>
Gross Profit	465,000
Administration Expenses	-95,000
Interest Expenses	-40,000
Interest Income	30,000
Dividend	20,000
Net Profit before extra ordinary Items	<u>380,000</u>
<b>Extra Ordinary Items:</b>	
Insurance Proceeds	18,000
Net Profit Before Tax	398,000
Tax	<u>-30,000</u>
	<u><u>368,000</u></u>

Additional Information are as Follows

- i. During the period Rs.25,000.00 ordinary shares issued to the public and received a long term loan for Rs.25,000.00
- ii. Interest paid during the year amounted to Rs. 27,000.00 this includes interest expenses of the prior period of RS. 10,000.00
- iii. Dividend paid Rs. 120,000.00
- iv. Fixed assets purchased during the period amounted to Rs. 35,000.00 payment made by cash
- v. Plant sold during the year for Rs. 2000.00 was purchased at a cost of Rs. 8,000.00 accumulated depreciation on assets sold amounted to Rs.6,000.00
- vi. Interest income of RS. 30,000.00 represent the investment income of the company

**Required to prepare cash flow statement using indirect method**

(25 Marks)

**Q-03.** Write the steps to create a company using following information

1. Name of the company: ABC (pvt) Ltd  
Financial Year Start from April 2010
2. Enter the following company preference details
  - a. Address: 125, Main Street, Kalmunai, Sri Lanka
  - b. Telephone: 0672229456
  - c. Fax: 0672229458
  - d. Email: [abc@slt.lk](mailto:abc@slt.lk)
  - e. Web: [www.abc.com](http://www.abc.com)
  - f. VAT. Registration No.12458562
  - g. Delivery Address:Main Stroe-
    1. No 45, Main Street Sainathamaruthu
    2. Telephone 0672222852
    3. Contact Person: Mr.S.M. Nisam

**Custom Field:**

Customer Custom Field: Sales Rep, Area, And type

Supplier Custom Field: Region, And Supply

Product Custom Field: Office, Stationary , Computer

**Tax Code:**

- a. T0: Zero rated Transaction
- b. T1: 12% Standard VAT
- c. T2: 20% Special Rate

**Currency Type:** Rupees, **Country:** Sri Lanka and **Country Code:** SL

**Departments:** Colombo, Kandy, Galle, Ampara

**Product Category:**

- a. Office equipments
- b. Stationary
- c. Computer Accessory
- d. Books

**Fixed Assets Category:**

- a. Land & Building
- b. Machinery
- c. Furniture and Fitting
- d. Motor Vehicle

**Customer & Supplier Setting:**

Credit Limit: Rs. 600,000.00

- a. Settlement Discount 3%
- b. Payment Due: 45 Days
- c. Settlement Due days 30
- d. Term 45 days Strictly on net

**Financial Rates**

- a. Date : 5/04/2010
- b. Rate 1%
- c. Additional 2%

( 25 Marks)

**Q-4.** Write the steps to change the following Management Chart of Accounts as Follows

Description	Categories	Low	High
<b>Revenue:</b>	Sales	4000	4010
	Others	4100	4180
	Credits Chargers	4200	4400
<b>Cost of Sales:</b>	Beginning Stocks	5200	5200
	Net Purchase	5000	5100
	End Stock	5300	5300
<b>Non Current Assets:</b>	Plant & Machinery	0010	0011
	Office equipments	0020	0021
	Furniture	0030	0031

a) Write the steps to create a new customer, Supplier and Product

(15 Marks)

**Q-5.** Write the steps to the following routine transaction

**II. Supplier Payments**

1) Payee Code WEU1520	2) Payee code GUN1001
Payment Date 14/06/2010	Payment Date 14/06/2010
Cheque No: 1234852	Cheque No 745869
Pay in full	Amount Rs.5800.00
	Discount Rs.200.00

**II. Receipts**

Bank N/C	1204
Reference	RC001
Details	Interest Received from Deposits
Net Amount	Rs.21000.00
Tax Code	T1

**III. Payments through Main Cash Book N/C 1203**

Electricity Bill Rs. 8500.00 for Main Store for March 2010  
Rent Rs. 12000.00 for Branch Office in May 2010

**IV. Following items are bought from Kumar & company on 3 month credit basis on 14<sup>th</sup> July 2010, Settlement Discount 3% if settled the amount in 2 months.**

HP 7540 Computer- 3 quantity for Rs. 58000.00

HP Laser jet 1320-4 Quantity for Rs. 5200.00

**V. Following Items are sold to Mr.Nisam & Company**

HP Laser jet 1320- 2 quantities for Rs.7500.00 on Credit Basis

HP 7540 Computer-1 quantity for Rs. 70000.00 on cash basis

(20 Marks)