

THE OPEN UNIVERSITY OF SRI LANKA
FACULTY OF MANAGEMENT STUDIES
BACHELOR OF MANAGEMENT STUDIES HONOURS IN
ACCOUNTING AND FINANCE
AFU5323 – COMPUTER BASED ACCOUNTING
FINAL EXAMINATION – 2026
DURATION – THREE (03) HOURS



DATE: 01ST JULY 2026

TOTAL MARKS: 100

TIME: 01.30 P.M. – 04.30 P.M

INSTRUCTIONS:

1. **Set up the company** in QuickBooks with the given opening balances.
2. **Record all transactions** for the financial year (Jan 1, 2026 – Jan 31, 2026).
3. **Generate required financial reports** and export them in PDF format.
4. **Please save all separate answers in one folder** and rename that to you name with initials.
Convert it to zip (Right click on that folder> Sent to> Compressed folder). Failure to do so may cause that your project will not be qualified.

Create a New Company

- **Company Name:** Little Joys Toy Shop
- **Address:** No. 78, Main Road, Piliyandala
- **Tel:** +94 112 456 789
- **Fax:** +94 112 456 790
- **Email:** info@littlejoys.lk
- **Web:** www.littlejoys.lk
- **Financial Year Start:** January

Opening Trail Balances as of Jan 1, 2026

Account Name	Debit (LKR)	Credit (LKR)
<u>Assets</u>		
Cash at Bank (Commercial Bank)	450,000.00	
Cash in Hand	25,000.00	
Accounts Receivable (Debtors)	220,000.00	
Inventory (Toys)	310,000.00	
Furniture & Fixtures (refer breakup)	350,000.00	
Computer Equipment (refer breakup)	180,000.00	
Accumulated Depreciation (Furniture)		70,000.00
Accumulated Depreciation (Computers)		36,000.00
<u>Liabilities</u>		
Accounts Payable (Creditors)		180,000.00
Bank Loan (Sampath Bank)		500,000.00
<u>Equity</u>		
Owner's Capital		689,000.00
Retained Earnings		60,000.00
Total	1,535,000.00	1,535,000.00

Review the following breakdown of the opening balances provided.

Customer Name	Address	Outstanding Balance (LKR)
Piliyandala Pre-School	Station Road, Piliyandala	70,000.00
Maharagama Toy Zone	High Level Road, Maharagama	55,000.00
Kottawa Kids Corner	Galle Road, Kottawa	40,000.00
Nugegoda Playhouse	Nugegoda Shopping Complex	35,000.00
Homagama Daycare Centre	Homagama Town	20,000.00

Supplier Name	Address	Outstanding Balance (LKR)
FunTimes Distributors	No. 12, Industrial Zone, Ratmalana	80,000.00
Lucky Toys (Pvt) Ltd	No. 45, Borupana Road, Raththanapitiya	50,000.00
KidsWorld Imports	No. 9, Negombo Road, Wattala	25,000.00
Lanka Toy House	No. 33, Kandy Road, Kadawatha	15,000.00
SmartPlay Suppliers	No. 7, Panadura Road, Moratuwa	10,000.00

Asset Name	Cost (LKR)	Accum. Depreciation (LKR)	Useful Life
Display Shelves	150,000.00	30,000.00	5 years
Cash Register (POS)	120,000.00	24,000.00	5 years
Office Table & Chairs	80,000.00	16,000.00	5 years
Laptop for Billing	100,000.00	20,000.00	5 years
Thermal Printer	80,000.00	16,000.00	5 years

Item Name	Cost (LKR)	Selling Price (LKR)	Quantity
Stuffed Bear – Medium	600.00	1,500.00	130
Lego Basic Block Set (100 pcs)	1,200.00	2,800.00	50
Remote Control Police Car	2,500.00	5,500.00	43
Educational Puzzle – Sinhala Alphabet	350.00	900.00	75
Board Game – “Snakes & Ladders”	450.00	1,100.00	85

Set off the balances in the Uncategorized Income and Uncategorized Expenses accounts against Opening Balance Equity by posting a manual journal entry to match the opening trial balance.

Enter the following transactions for the period, including Purchase Orders, Receipt of Items with Bills, and Expenses.

Purchase Orders

1. **PO-001 (01/01/2026)** – Ordered 60 Stuffed Bears from FunTimes Distributors (LKR 36,000).
2. **PO-002 (02/01/2026)** – Ordered 25 Lego Block Sets from Lucky Toys (Pvt) Ltd (LKR 30,000).
3. **PO-003 (03/01/2026)** – Ordered 15 Remote Control Cars from KidsWorld Imports (LKR 37,500).

Receive Inventory with Bill

1. **BILL-001 (02/01/2026)** – Received 60 Stuffed Bears (LKR 36,000) from FunTimes, due in 30 days.
2. **BILL-002 (03/01/2026)** – Received 25 Lego Block Sets (LKR 30,000) from Lucky Toys, due in 15 days.
3. **BILL-003 (04/01/2026)** – Received 15 Remote Control Cars (LKR 37,500) from KidsWorld Imports, due in 30 days.
4. **BILL-004 (06/01/2026)** – Purchased 40 Educational Puzzles (LKR 14,000) from SmartPlay Suppliers (cash payment).

Expenses

1. **EXP-001 (15/01/2026)** – Paid January rent (LKR 18,000) via Cheque No. 1867402.
2. **EXP-002 (20/01/2026)** – Paid electricity bill (LKR 12,500) via Cheque No. 1867403.
3. **EXP-003 (27/01/2026)** – Paid internet bill (LKR 5,000) via Cheque No. 1867404.

Pay the following bills using Commercial Bank. Ensure that you enter the cheque number for each payment.

Opening balance settlements (10/01/2026)

Supplier Name	Cheque No.	Amount (LKR)
FunTimes Distributors	1867396	80,000.00
Lucky Toys (Pvt) Ltd	1867397	50,000.00
Lanka Toy House	1867398	15,000.00
SmartPlay Suppliers	1867399	10,000.00

Bills Generated During the Period

Supplier Name	Cheque No.	Date	Details
BILL-002 (Lucky Toys)	1867400	12-01-26	10% discount (paid LKR 27,000)
BILL-003 (KidsWorld Imports)	1867401	23-01-26	Full settlement (LKR 37,500)

Record the following sales-related transactions.

1. **EST-001 (08/01/2026)** – Estimate to Piliyandala Pre-School for 25 Stuffed Bears (LKR 37,500).
2. **EST-002 (10/01/2026)** – Estimate to Maharagama Toy Zone for 12 Lego Block Sets (LKR 33,600).
3. **EST-003 (10/01/2026)** – Estimate to Homagama Daycare Centre for 20 Board Games (LKR 22,000).
4. **INV-001 (09/01/2026)** – Piliyandala Pre-School confirmed order (LKR 37,500 + VAT 18% = LKR 44,250), due in 15 days.
5. **INV-002 (11/01/2026)** – Maharagama Toy Zone confirmed order (LKR 33,600 – No VAT), due in 30 days.
6. **INV-003 (15/01/2026)** – Homagama Daycare Centre confirmed order (LKR 22,000 + VAT 18% = LKR 25,960), due in 15 days.
7. **INV-004 (21/01/2026)** – Sold 8 Remote Control Cars to Nugegoda Playhouse (LKR 44,000 + VAT 18% = LKR 51,920), paid in cash.
8. **CR-001 (17/01/2026)** – Homagama Daycare Centre returned 3 damaged Board Games (original invoice value including VAT LKR 3,894). Issue credit note – retain as available credits.

Below is a list of balances that were cleared during the reporting period.

1. **PMT-001 (26/01/2026)** – Piliyandala Pre-School paid LKR 44,250 by Cheque No. 4020603.
2. **PMT-002 (27/01/2026)** – Maharagama Toy Zone paid LKR 32,000 (after ~4.76% discount) via Cheque No. 3015602.

Enter the additional information below into the system.

1. **Depreciation Posting** – Record monthly depreciation for all fixed assets (straight-line method over useful life).

2. **Loan Interest Accrual** – Calculate and post monthly loan interest.

Loan Details

- **Bank:** Sampath Bank
 - **Loan Amount:** LKR 500,000
 - **Interest Rate:** 12% per annum (Simple Interest)
 - **Term:** 3 years
3. **Accrued Expense** – January legal fee (LKR 8,500) not yet paid.

Generate the following reports as of **January 31, 2026**:

1. **Trial Balance**
2. **Profit & Loss Statement (01 January 2026 to 31 January 2026)**
3. **Balance Sheet**
(Export all reports in PDF format.)
4. **Create and save a backup copy of your QuickBooks company file**

END

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