

TECHNICAL UNIVERSITY OF MOMBASA
Faculty of Business Studies

DEPARTMENT OF BUSINESS ADMINISTRATION

CERTIFICATE IN HUMAN RESOURCE MANAGEMENT
CERTIFICATE IN BUSINESS MANAGEMENT
CERTIFICATE IN STORES MANAGEMENT

BAC 1101: BOOK KEEPING

END OF SEMESTER EXAMINATIONS

SERIES: MAY 2016

TIME: 2 HOURS

INSTRUCTIONS:

Answer question **ONE (Compulsory)** and any other **TWO** questions.

QUESTION 1 (Compulsory)

The following trial balance was extracted from the books of Mohamed ltd at 31 Dec 2005.

	Dr. Sh.	Cr. Sh.
Stock 1 Jan 2005	50000	
Purchase/Sales	400 000	560 000
Returns	20 000	30 000
Debtors and creditors	60 000	40 000
Premises	560 000	
Fixtures and Fittings	200 000	
Machinery	100,000	
Carriage outwards	8 000	
Wages and salaries	30 000	
Discounts	25 000	32 000
Commisions	16 000	14 000
Cash at Bank	70 000	
Capital		863,000
	1539,000	1539 000

Additional information.

Closing stock at 31 Dec 2005 was sh. 80000

Required:

- i) Trading profit and loss A/C (10 marks)
 - ii) Mohamed ltd balance sheet at 31 Dec 2005 (10 marks)
- b) Explain the following terms with examples
- i) Working capital (5marks)
 - ii) Invoice (5marks)

QUESTION 2

a) The accounts of Mwangemi traders showed the following balances as at 31 Dec 2002.

Land and building	Sh 150 000
Motor cars	Sh 120 000
Debtors	Sh 15 000
Cash	Sh 30 000
Creditors	Sh 4 000
Capital	Sh 311000

The following transacted took place during the first week of January 2003.

- January 1st Bought stock of goods in cash sh 10000
2nd Paid creditors by cash sh. 25000
3rd Sold goods for cash sh 5000
4th Received a cheque from debtor sh.12000
5th Bought stock of goods by cheque sh 8000
6th A debtor paid by cash sh.3000.

Required:

- i) Open ledger Accounts and show balances. (10marks)
- ii) Extract trial balance and prepare Balance sheet. (10marks)

QUESTION 3

Mutie cash book and the bank statement for the month of February 2005 are given below.

Mutie Cash Book for Feb 2005					
Feb 1 st	Balb/d	3000	Feb 3 rd	Salim	540
4 th	cash	250	5 th	Akinyi	2100
6 th	Opondo	485	7 th	Muthoni	3100
8 th	Nyachae	222	9 th	Njino	1300
10 th	Amunga	1100	11 th	Makinya	1112
15 th	Kanunge	<u>3300</u>	28 th	Bal c/d	<u>805</u>
		<u>8957</u>			<u>8957</u>

Bank statement for the month of Feb 2005.

Date	Particulars	Dr	Cr	Balance
2008				
Feb 1 st	Balance c/d			3600cr
3 rd	Cheque No. 0123	540		3060cr
4 th	Cash		250	3320cr
5 th	Bank charges	230		3080cr
6 th	cheque deposit		485	3565cr
7 th	cheque No 0124	2100		1465cr
8 th	cheque deposit		222	1687cr
9 th	Cash deposit moraa		4260	5947cr
10 th	Dishonoured cheque	485		5462cr
11 th	standing order Akinyi	256		5206cr
12 th	cheque No 0125	3100		2106cr

Required:

- Adjust cash book. (8 marks)
- Bank reconciliation statement at Feb 2005
- Explain the following term (8marks)
 - Dishonored cheque (2marks)
 - Standard order (2marks)

QUESTION 4

a) Explain the following terms

- i) Imprest system. (2 marks)
- ii) Float (2marks)
- iii) Discounts and indicate the types explaining each (6marks)

b) During the month of August 2004 general cashier of Mwembe Tayari stores gave the petty cashier a cash float of sh.5000, the following payments were made as indicated;

August 1st – staff tea sh 80

2nd – office expense sh 600

5th - Traveling expenses sh 500

10th – postage sh100, Sunday expenses sh 150

15th – office stationary sh 200.

18^h – staff tea sh 50, sundry expenses sh100

22 - Travelling sh.200, stationary sh 300 and travelling sh 100.

30th- Postage sh 50, K.Khamisi a creditor sh.200.

The following analysis columns were recorded: staff tea, office expense, travelling, postage, sundry expenses, and ledger accounts.

Required:

Prepare Mwembe Tayari store's petty cash book.

(10marks)

QUESTION 5

a) What do you understand by the term depreciation?

(8 marks)

b) Explain any two methods of calculating depreciates

(12marks)