



TECHNICAL UNIVERSITY OF MOMBASA
Faculty of Business & Social Studies

DEPARTMENT OF BUSINESS STUDIES

UNIVERSITY EXAMINATIONS FOR DEGREE IN
BACHELOR OF COMMERCE

BAC 4401: COMPUTERIZED ACCOUNTING

SUPPLEMENTARY/SPECIAL EXAMINATIONS

SERIES: OCTOBER 2014

TIME: 2 HOURS

INSTRUCTIONS:

- Answer Question **ONE (Compulsory)** and any other **TWO** questions.
This paper consists of Four printed pages
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QUESTION 1 (Compulsory)

You have recently been employed as Assistant Accountant for Lulu Signs, a Company specializing in manufacturing signs. The company's financial year begins in 31st March and their address is 433426 – 80100, Mombasa.

Your new position involves responsibility for updating the company records and producing draft financial accounts.

- a) Create the company records using quickbooks accounting software. **(1 mark)**
- b) Add the following accounts to the Nominal ledger and enter opening balances as at 30th June 2014. **(14 marks)**

Code	Name	Debit	Credit
0050	Motor vehicle cost	130775	
0021	Motor vehicle depreciation		33655
0051	Furniture & fittings cost	56000	
0022	Furniture & furniture depreciation		7000
1100	Accounts receivables	75665	
1101	Bad debt provision	1814	
1103	Prepayments	7000	
1200	Bank current account	129000	
1230	Cash account	8600	
2100	Accounts payable		
2109	Telephone	2440	
3000	Share capital		350,000
4000	Sales		137,500
4009	Discounts allowed	8500	
5000	Purchases	65000	
5009	Discounts received		6,200
5100	Carriage inwards	5600	
7850	Rates	15200	
7852	Legal & professional	12000	
7853	Motor & travel expenses	18000	
7854	Staff costs	18000	
7855	Generate expenses	10,000	
8000	Depreciation	7000	
8100	Bad debt written off	<u>283</u>	
	Total	<u>570,877</u>	<u>570,877</u>

Accounts Receivable detail

Huby Architect	25000
Immon design	28000
Ridng stores	<u>22665</u>
Total	<u>75665</u>

Accounts payable list

Barnett paints	1622
Horton Ltd	15000
Rawson & Co. Ltd	<u>5300</u>
	<u>36522</u>

1. Enter the following transactions for the month of July 2014. (10 marks)
- a) 2nd July 2014, sold goods to David receiving a cheque of Ksh. 55000.
 - b) On 8th July 1st process a cheque payment to Billington Ltd (Cheque No. 001) for Ksh. 120,000/- for a new motor vehicle and Ksh. 24,000 for a license for the vehicle which should be posted to motor & travel expense.
 - c) Transfer Ksh. 2500 from Bank current account to the cash account reference 34828 and date 9th July.
 - d) Received cheque from the following customers
 - 15th July Immon Design 15000
 - 16th July Ridng stores 22665
 - e) 20th July purchased goods for resale from Barnett paints paying by cheque No. 002 of Ksh. 23000.
 - f) 25th July paid Hurton Ltd amount due less discount of 10% by Cheque No. 0003.
 - g) 27th July paid Bernet paints amount due less discount of 10% by Cheque No. 004
 - h) Provide for depreciation on the company's motorvehicle at the rate of 20% of cost and furniture & fittings at 12.5% p.a as at 31st July.
 - i) You are given the following bank statement and are asked to produce a bank reconciliation at 31st July processing any adjustment that may be necessary. (5 marks)

Midwest Bank					
Statement of Account as at 31st July 2014					
Lulu signs: Account No. 48663107					
Date		Ref.	Debit	Credit	Balance
July					
1 st	Balance b/f				129000
5 th	David			55000	184000
9 th	Billington Ltd	001	120,000		64000
10 th	Transfer	348428	2,500		61500
18 th	Immon Design			15000	76500
19 th	Ridng stores			22665	99165
25 th	Barnett paints	002	23000		76165
27 th	Horton Ltd	003	13500		62665
31 st	Bank charges		1000		61665

Obtain the following printouts, save in excel.

(3 marks)

- i) Trial Balance as at 31st July 2014.
- ii) Profit & loss account for months ended 31st July
- iii) Balance sheet as at 31st July 2014.

QUESTION 2

Discuss the application of the information systems in sales and marketing.

(20 marks)

QUESTION 3

- a) Identify and briefly describe the stages involved in systematic management of information systems.
(12 marks)
- b) Outline **EIGHT** possible threats to information security.
(8 marks)

QUESTION 4

- a) The widespread use of any computer in offices have raised major health and safety issues.
Describe three major health related problems that may result from intensive of computer and list three products that may be made available to improve the working conditions of personnel using computers.
(12 marks)
- b) Risk handling is one of the aspects that risk management methodologies should address in information security management. Briefly explain the **FOUR** risk handling

QUESTION 5

Discuss factors to consider when choosing computer hardware and software.

(20 marks)