



THE MOMBASA POLYTECHNIC UNIVERSITY COLLEGE

(A Constituent College of JKUAT)

Faculty of Engineering & Technology

DEPARTMENT COMPUTER SCIENCE & INFORMATION TECHNOLOGY

DIPLOMA IN INFORMATION COMMUNICATION TECHNOLOGY

DICT 10M

EIT 2209: FINANCIAL APPLICATIONS

SPECIAL/SUPPLEMENTARY EXAMINATION

SERIES: FEBRUARY/MARCH 2012

TIME: 2 HOURS

Instructions to Candidates:

You should have the following for this examination

- *Answer Booklet*

This paper consist of **FIVE** questions in **TWO** sections **A & B**

Answer question **ONE (COMPULSORY)** and any other **TWO** questions

Maximum marks for each part of a question are as shown

This paper consists of **THREE** printed pages

SECTION A (COMPULSORY)

Question One 30 Marks

- a) Brief explain **TWO** major stakeholders of financial information. (5marks)
- b) Briefly explain **TWO** accounting concepts citing examples for each. (5marks)
- c) Using the trial balance of Kisima Enterprises, extracted after one year of operations, prepare an income statement for the year ending 30 June 2008 together with a balance sheet as at that date. Note the Bank amount will be treated as current liabilities since it is overdrawn. (20 marks)

	£	£
Sales		35,800.00
Purchases	14,525.00	
Salaries	2,325.00	
Motor Expenses	9,300.00	
Rent and business rates	1,250.00	
Insurance - building	750.00	
- vehicles	1,200.00	
Motor vehicles	10,000.00	
Fixtures	17,500.00	
Cash in hand	500.00	
cash at bank		1,250.00
Drawings	12,000.00	
Long-term loan		15,000.00
Capital		19,275.00
Accounts receivable	11,275.00	
Accounts payable		9,750.00
	<u>80,625.00</u>	<u>80,625.00</u>

Inventory on 30 Jun 2008 was £3,000.

SECTION B (Answer any two questions)

QUESTION TWO

Write up a two column cash book for Mama Pima enterprises from the following: [15Marks]

2010		
Nov	1	Balance brought forward from last month: Cash 105; Bank 2164
	2	Cash sales 605
	3	Took 500 out of the cash till and paid it into the bank
	4	F Kaloo paid us by cheque 217
	5	We paid for postage stamps in cash 60
	6	Bought office equipment by cheque 189
	7	We paid L Wambua by cheque 50
	9	Received rates refund by cheque 72
	11	Withdrew 250 from bank for business use
	12	Paid wages in cash 239
	14	Paid motor expenses by cheque 57
	16	M Kasemo lent us 200 in cash
	20	W Jamal paid us by cheque 112
	28	We paid general expenses in cash 22
	30	Paid insurance by cheque 74

QUESTION THREE

a) Discuss the marketing management cycle [9Marks]

b) What is purchasing? Discuss the different types of purchase orders [6 Marks]

QUESTION FOUR

Discuss the principles of purchasing [9 Marks]

Explain at least **THREE** types of insurance citing an appropriate example to each [6 marks]