**Uganda Certificate of Education**

**PRE-REGISTRATION EXAMINATIONS 2016**

**ACCOUNTS**

**TIME: 2 HOURS**

**SECTION A**

1. Determine cost of sales given opening stock shs 950,000, withdraw of goods shs 140,000, purchases shs 1,900,000, returns outwards shs 150,000 and closing stock shs 1,210,000.

A. shs 1,930,000 B. shs 1,650,000

C. shs 1,350,000 D. shs 1,640,000

2. Which of the following is both a book of original entry and forms part of the ledger?

A. General journal B. Cash book

C. Sales day book D. Purchases day book

3. Given a debtor’s balance of shs 2,000,000, how much should be transferred to the profit and loss account if provision for bad debts is adjusted from 120,000 to 5% of debtors?

A. shs 20,000 B. shs 220,000

C. shs 100,000 D. shs 120,000

4. A debtor in a business is a person

A. who organises books of accounts B. to whom goods are sold

C. from whom goods are bought on credit D. to whom goods are sold on credit

5. The following are liabilities except

A. Salaries accrued B. Rent received in advance

C. outstanding electricity bill D. stock of un used stationery

6. Determine working capital given stock shs 1,300,000, debtors shs 3,000,000, Creditors shs 1,200,000, short term loan shs 700,000 and cash at bank shs 4,000,000.

A. Shs 9,000,000 B. shs 6,400,000

C. shs 7,800,000 D. shs 8,300,000

7. Which of the following is an expense?

A. Discount allowed B. Discount received

C. Returns inwards D. Returns outwards

8. How much should be charged for provision for discount on debtors given amount owing from debtors shs 2,000,000. If the firm charges 10% provision for bad debts and 5% provision for discount on debtors?

A. shs 200,000 B. shs 100,000

C. shs 90,000 D. shs 300,000

9. What entries should be made to record withdraw of cash from bank for business use?

A. Dr. Drawings A/C; Cr. Bank A/C B. Dr. Bank A/C; Cr. Drawings A/C

C. Dr. Cash A/c; Cr. Bank A/C D. Dr. Bank A/c; Cr. Cash A/C

10. Which one of the following represents the owner’s claim from the business?

A. Liabilities B. Capital

C. Drawings D. Assets

11. Musa purchased a motor vehicle on credit from spare motors at shs 4,000,000. What effect would this transaction have on liabilities? It;

A. has no effect on liabilities

B. increases liabilities by shs 8,000,000

C. decreases liabilities by shs 4,000,000

D. increases liabilities by shs 4,000,000

12. Musoke bought 40 cartons of cowboy each at shs 8000. He was allowed a 25% trade discount for bulk purchases and 5% cash discount if he pays within one month. How much did he pay if he paid within the stated period?

A. shs 228,000 B. shs 240,000

C. shs 32,000 D. shs 80,000

13. The amount spent on petty cash items in a given month is shs 350,000 and the balance at the end of that month was shs 150,000. Calculate the monthly float amount.

A. shs 500,000 B. shs 350,000

C. shs 150,000 D. shs 200,000

14. The following items appear in the creditors control accounts except

A. returns outwards B. returns inwards

C. credit purchases D. discount received

15. The document which serves as an instruction by a bank to another to pay a named person a specified amount of money is

A. Cheque B. bank overdraft

C. bank draft D. standing order

16. Where are the totals of a purchases journal posted?

A. credit trading account B. debit Trading A/C

C. credit purchases account D. debit purchases account

17. A sole trader without complete set of records had the following statements;

|  |  |
| --- | --- |
|  | Shs |
| Sales | 7,500,000 |
| Gross profit | 800,000 |
| Purchases | 4,200,000 |
| Closing stock | 1,300,000 |

Calculate the value of opening stock

A. shs 5,500,000 B. shs 2,000,000

C. shs 3,800,000 D. 1,200,000

18. A credit balance on rental income account implies that the rent for the period is

A. fully received B. pre-paid

C. fully paid D. outstanding

19. The process of making entries in the journal is called?

A. journalizing B. recording

C. posting D. transaction

20. Which of the following documents is used to post a returns inwards journal?

A. voucher B. invoice

C. receipt D. credit note

**SECTION B**

**Attempt any two(2) questions**

21. a) State three source documents used in the preparation of a cash book.

(3 marks)

b) Likosa Enterprises had the following balances as at 1st June, 2014.

|  |  |
| --- | --- |
| Debtors: | Shs |
| Mubiru and sons | 480,000 |
| Arwata | 560,000 |
| Apala cheap stores | 1,900,000 |
|  |  |
| Creditors: |  |
| Mukwano company | 900,000 |
| Kaddu | 720,000 |
|  |  |
| Cash balances as at 1st June 2014 |  |
| Cash | Shs 810,000 |
| Bank | Shs 9,600,000 |

**The following transactions took place during the month of June 2014.**

|  |
| --- |
| June 1st Paid electricity by cheque Shs 400,000  2nd Received cash from Apala cheap store for goods worth Shs 700,000 less 5% cash discount  2nd Received cheque from Arwata less 10% cash discount  3rd Paid stationery cash Shs 160,000  4th Paid Mukwano company by cheque less 9% cash discount  4th Received cheque from Mubiru and sons less 5% cash discount  5th Paid salesmen’s commission cash Shs 280,000  June 6th Cash sales Shs 870,000  7th Paid Kaddu Enterprises by cheque less 3% cash discount  8th Purchased goods by cheque Shs 1,000,000  9th Received cheque from Apala cheap stores for the remaining amount less 12% cash discount.  10th Paid transport by cheque Shs 156,000  11th Sales by cheque Shs 630,000  15th Banked cash Shs 1,500,000  30th Withdrew cash Shs 2,360,000 for office use |

**Required:**

Prepare;

i) A three column cash book (15 marks)

ii) Discount allowed A/C and Discount received A/C. (2 marks)

22. The following trail balance was extracted from the books of J.Obadia.

J. Obadia Trial Balance as at 31st December, 2013.

|  |  |  |
| --- | --- | --- |
| **Particulars** | **DR(shs)** | **CR (shs)** |
| Capital |  | 10,004,000 |
| Purchases | 4,000,000 |  |
| Furniture and fittings | 850,000 |  |
| Lorry | 2,500,000 |  |
| Sales |  | 6,500,000 |
| Discounts allowed and received | 5,000 | 4,500 |
| Rent paid | 155,000 |  |
| Rent received |  | 5,500 |
| Insurance | 354,000 |  |
| Transport | 281,000 |  |
| Electricity | 25,000 |  |
| Debtors | 2,500,000 |  |
| Creditors |  | 840,000 |
| Rates | 15,000 |  |
| Stock (1.1.2013) | 380,000 |  |
| Salaries | 220,000 |  |
| Bad debts | 44,000 |  |
| Drawings | 15,000 |  |
| Bank | 5,700,000 |  |
| Cash | 310,000 |  |
| Total | 17,354,000 | 17,354,000 |

**Additional information**;

i) Furniture and fittings to be depreciated at 10% per annum and lorry at 15% per annum.

ii) Closing stock as at 31st December 2013 shs 250,000.

iii) Pre-paid electricity shs 5,000, pre-paid rates shs 4000.

iv) Shs 20,000 outstanding in respect to insurance.

**Required;**

a) Trading, profit and loss Account for the year ended 31st December 2013.

(10 marks)

b) Balance sheet as at 31st December 2013. (10 marks)

23. a) Explain the meaning of;

i) A debit balance in stationery account

ii) A credit balance in a salary account

b) The following information appeared in the books of “Monitor” during the year ended 31st Dec 2013.

On 1st January 2013.

i) Wages A/C showed a credit balance of shs 50,000

ii) Stock of unused amount of stationery was shs 100,000.

iii) Outstanding bill of electricity of shs 15,000.

During the year, stationery worth shs 100,000 was bought and wages amounting to shs 500,000 and electricity worth shs 45,000 was paid for.

On 31st December 2013.

* Shs 15,000 and shs 25,000 in respect of stationery and electricity respectively were yet to be settled.
* An amount of shs 20,000 had been made as an advance payment in respect of wages.

**Required to**:

i) Show how the following accounts would appear in light of the above information.

ii) Show the relevant entries in the profit and loss A/C as well as in the Balance

sheet.

***\*\*\*END\*\*\****