

# UGANDA MARTYRS UNIVERSITY

FACULTY OF BUSINESS ADMINISTRATION AND MANAGEMENT

END OF SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR OF BUSINESS

ADMINISTRATION AND MANAGEMENT YEAR - THREE SEMESTER ONE

**BAM 3 EVENING- MASAHA CAMPUS**

**CODE: ACC3112**

**COURSE: COMPUTERIZED ACCOUNTING**

**DATE: MONDAY 11<sup>th</sup> DECEMBER 2023**

**TIME: 9:30 AM- 12:30PM (3 Hours)**

**Instructions:**

1. The Examination paper consists of **TWO** Sections i.e. Section A & B
  2. Section **A** consists of two Compulsory questions worth 50 marks & both questions in this section must be done in the same work book but in different work sheets. The work book must be saved in your names on the desktop and the work will be picked by the invigilator at the end of the examination.
  3. Section **B** consists of **THREE** questions - **Attempt two** questions from this section. Refer to the questions for specific question requirements, but all reports asked for in each question should electronically generated & written in the answer booklet provided to you.
  4. No candidate should be in possession of mobile phone(s) in or around the examination room at all times during the examination
  5. **Ensure that you Work as you save**
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## SECTION A- ATTEMPT ALL QUESTIONS FROM THIS SECTION- 50 MARKS

### QUESTION ONE

A client has approached you and would like to borrow UGX 150,000,000/= for a period of four (4) years. The bank is currently lending at an interest rate of 1.25 % per month on reducing balance basis.

#### Required

Prepare a loan amortization schedule clearly showing;

- The total monthly payment for the loan per month,
- The principal payment per month,
- Total interest payment per month and
- The outstanding balance at the end of each month.
- Total recoveries at the end of the loan period
- Total interest to be paid by the client at the end of the loan period. (10 Marks)

b) Assuming the client has changed his mind & wants a loan of US\$ 200,000,000 carrying an interest rate of 24% per annum and repayable for a period of five (5) years. As a newly hired Loans officer, design a loan amortization schedule to determine the monthly payment, total interest, total recoveries & Principal, interest payment and the running balance at the end of each month. (10 marks)

c) Include borders in your loan amortization schedules above and format your figures to appropriate currencies and remove all the decimal points from your figures. (5 marks)

### QUESTION TWO

(a) Mukalazi Manufacturing Co. had the following details relating to hours worked by their employees for the month of March, 2023.

No. & Name of Employee	Hours worked in the month
1. Kajumba Alex	48
2. Juuko Bernard	50
3. Lule Charles	52
4. Maate David	45
5. Nasimolo Emmy	54
6. OpokaFlavia	56
7. Emesu Gloria	41
8. BagoleHamida	42
9. Lokerisi Immaculate	44
10.Sanga Juliet	40

- The basic working week is 10 hours. There are 4 weeks in a month.
- Hourly wage rate is 10, 000/=.
- The first 3 hours of overtime are paid at Ugx15,000 per hour and any excess is paid at double time rate of 20,000 per hour.
- Housing allowance in lieu of housing facilities is at 40% of the basic pay.



Employees No. 3, 8 and 10 were staying in company houses and were being charged 10,000 for water each month.

- (e) Top-up Allowance is 20% of the basic wage.
- (f) Transport allowance is at 3,000/= each working week.
- (g) Deductions:

- (i) LST tax: All employees are assessed to pay LST as per the statutory rates, deductible from employees' wages in the first 4 calendar months with equal instalments. The last instalment is in arrears and needs to be deducted from each earnings of each employee
- (ii) National Social Security Fund is 5% of gross wages
- (iii) PAYE payable as follows:

Monthly Income	Rate
<235,000	NIL
>235,000<=335,000	10% of the amount exceeding Shs. 235,000
>335,000<=410,000	Shs.10,000 + 20% of the amount exceeding Shs. 335,000
>410,000	Shs.25,000 + 30% of the amount exceeding Shs. 410,000
>10m	Shs.25,000 + 30% of the amount exceeding Shs. 410,000 + 10% of the amount exceeding 10m

- (iv) Loan repayments (final)
  - Employee No. 2 10,000
  - Employee No. 6 10,000
  - Employee No. 5 8,000

**Required**

- i) Prepare a payroll for Mukalazi manufacturing Co for the month of March 2023. (20 Marks)
- ii) Explain any five internal control systems that Mukalazi manufacturing Co should put in place to ensure appropriate management of its payroll. (5 marks)

## SECTION B- ATTEMPT TWO QUESTIONS FROM THIS SECTION- 50 MARKS

### QUESTION THREE

Dr Alivn Goodman Operates a medical Clinic- "Goodman Clinic" in Kampala at Plot 05, Wampewo avenue, P.o.Box 4567, Kampala. He intends to install QuickBooks to help him manage his books of accounts. He has provided the following information extracted from the manual system he has been using to run his clinic. Sample inventory and service lists extracted from the books of Goodman Clinic

Item name	U/M	Cost price	Sales Price	Quantity	Income Account
Abimist	BTL (btl)	6,000	7,000	6000	Pharmacy sales
Absorbent cotton wool	roll (roll)	7,200	8,000	1000	Pharmacy sales
Benyline wet cough syrup	BTL (btl)	18,500	21,000	500	Pharmacy sales
B.penincilline	Vial (Vial)	1,500	3000	1200	Pharmacy sales
Benzhexol 2mg tab 500's	BTL (btl)	200	500	6000	Pharmacy sales
Cephalexin 250mg/5ml	BTL (btl)	9,500	15,000	100	Pharmacy sales
Cephalexin 500mg cap	Cap (Cap)	585	1,200	300	Pharmacy sales

#### Medical services table

Item	Rate	Income account
General Consultancy	50,000	Consultancy Services
HIV screening	10,000	Laboratory Services
Dental surgery	50,000	surgery services
Normal Delivery	150,000	Delivery services
Ex-ray	200,000	Laboratory services
TB screening	15,000	Laboratory services
Malaria Screen	10,000	Laboratory services

Bank Accounts, Stanbic Bank USD, \$20,000, Stanbic Bank UGX 50,000,000, GT Bank UGX 5,000,000.

Creditors; National Medical Store \$20,000. The clinic maintains 1USD=3600UGX as their exchange rate.

The following weekly summaries were captured from the transactions for the month of January 2023

Date	Customer Details	Treatment
	<b>Credit sales</b>	
01/01/2023	Amos Kintu-Credit sale	General Consultancy & HIV screening
08/01/2023	UWESO	10 Patients for General Consultancy &



		2 patients for X-ray screening
15/01/2023	Teenager care org	20 patients for HIV screening & 10 patients for malaria screening
29/01/2023	Pentagon services	10 patients for TB screening & 5 patients for General consultancy
	<b>Cash Sales</b>	
01/01/2023	Cash Patients	5 for Malaria screening 10 for HIV screening 15 for General consultancy
01/01/2023	Pharmacy sales	Cephalexin 250mg/5ml (100 bottles), Cephalexin 500mg cap-(50 tabs)
08/01/2023	Pharmacy sales	Chlopidogel tab (100 tabs) Absorbent cotton wool-1 roll Benyline wet cough syrup-5 bottles Abimist e/d-10 bottles, B.Penicilline (10 vials)
15/01/2023	Cash Patients	5 Delivery mothers, Malaria screening 5 patients
21/01/2023	Cash patients	10 Delivery mothers, 5 HIV screening, 5 Malaria screening
29/01/2023	Cash Patients	5 Dental surgery patients, 10 general consultancy Patients

**The following debtors made their payments**

On 7/01/2023 Amos Kintu cleared all his debt on and his payment was banked on the Stanbic bank UGX

On 20<sup>th</sup> /01/2023 Teenager Care org, made half payment of its entire bill on GT bank.

On 25 /01/2023 Pentagon services cleared its debt with a cheque on GT bank.

On 28/01/2023 Paid National medical store \$15,000 using Stanbic bank USD account

On 31/01/2023 Transferred 4,000,000Ugx from GT Bank account to Stanbic UGX Account.

The following payments were made with a cheque from Stanbic Bank UGX on 31<sup>st</sup>/01/2023

Salaries Ugx 5,000,000, Rent Ugx 2,000,000, Cleaning services, Ugx 500,000 and security Ugx 500,000

You are required to capture the above transactions in QuickBooks and generate the following reports for Goodman Clinic for the month of January 2023;

- Statement of Profit or Loss and other Comprehensive incomes (9 marks)
- Statement of financial position as at 31<sup>st</sup> Jan 2023 (9 marks)
- Transaction list report by date (5 marks)
- Advise Dr Alivn Goodman what he needs to install a computerized accounting software and its benefits ( 2Marks)

**Note: The extracted reports should be written in the answer booklet provided to you. or Save your report in one folder with your name & registration number**

#### **QUESTION FOUR**

Future Gadgets Technologies Limited, located at Grand Plaza Arcade, William street Kampala, operates a computer shop. It opened its business operations in the month of July 2023 with the following balances. Equity bank, UGX 80,000,000, Motor van Ugx 35,000,000 and

The following are inventory items it had in stock.

No	Item	Description	Sales Price	Qty	Cost Price(UGX)
<b>Printers</b>					
1	Color laser mfp 179fnw	117A cartridge	2,400,000	10	2,000,000
2	Color LaserJet Pro MFP M479	415A Cartridge	4,500,000	15	4,100,000
3	HP M283fdw	207A cartridge	4,000,000	10	3,500,000
4	Epson L3210	Tank L3210	2,200,000	5	1,350,000
<b>Projectors</b>					
1	Epson EB X51	Projector 3800Lumens	4,000,000	5	2,500,000
2	Epson Power	Epson Power lite 177W	5,000,000	10	4,000,000
3	Epson EB 01	Epson EB 01 3300	3,000,000	10	2,500,000
<b>Laptops</b>					
1	HP laptops	HP laptop, Core i5-6300	1,500,000	25	1,000,000
2	Dell Laptops	Dell Laptops-Dual core, 320 HDDD	1,000,000	20	800,000

**The following transactions took place in the month of July 2023**

Jul 1<sup>st</sup> Sold two Laptops and Epson EB 01 projector to Felix on cash and payment was deposited on the company's stanbic account.

2<sup>nd</sup> Jul. Purchased 15 Dell laptops for resale from Nkrumah Technologies on credit each at 800,000 UGX to be sold at 1,000,000 UGX each

4<sup>th</sup> Jul. Supplied the following items to Green valley school on credit. 1 Epson Power Projector, 8 HP laptops and 8 Dell laptops

Jul. 5<sup>th</sup>. Green valley returned 4 Dell laptop, and cleared for all the items it had bought on 4<sup>th</sup> Jul using stanbic bank cheque.

On 10<sup>th</sup> Paid Nkrumah technologies for all the Dell laptops it purchased on credit.

20<sup>th</sup> Jul. Purchased 5 Lenovo laptops from Think technologies each at 1,000,000UGX and paid in full through stanbic bank.

25<sup>th</sup> One of the company directors withdrew 2,000,000 for personal use

27<sup>th</sup> . Amotex Computers supplied 10 pieces of Hp laptops on credit.

28<sup>th</sup> . 2 pieces of HP laptops supplied by Amotex computers were returned due to wrong specifications.