

UGANDA MARTYRS UNIVERSITY
SCHOOL OF ARTS AND SOCIAL SCIENCES
DEPARTMENT OF DEVELOPMENT STUDIES
BACHELOR OF SOCIAL WORK AND SOCIAL ADMINISTRATION-

NKOZI & LUBAGA

YEAR II : 2023/2024

SWSA2118: FUNDAMENTALS OF ACCOUNTING EXAMINATION

DATE: Tue 12th December, 2023

Time: 9:30-12:30pm

INSTRUCTIONS:

Attempt any four questions.

Question 1

Given the following information relating to Kayabwe printing firm

May 2013:

- May
- 1 Started business with capital in cash of \$1,800 and \$4,200 in the bank
 - 2 Bought goods on credit from J. Ward \$610; P Green \$515; M. Taylor \$174; S. Gemmill \$345; P. Tone \$542.
 4. Sold goods on credit to : J. Sharpe \$340; G. Boycott \$720; F. Titmus \$1,152.
 6. Paid rent by cash \$ \$410.
 9. J. Sharpe paid us his account by cheque \$340
 10. F. Titmus paid us by cheque \$1,000.
 12. We paid the following by cheque: M. Taylor \$174; J. Ward \$610.
 15. Paid carriage in by cash \$ 38.
 18. Bought goods on credit from P. Green \$291; S. Gemmill \$940.
 21. Sold goods on credit to G. Boycott \$810.
 31. Paid rent by cheque \$490

Required: Prepare the ledgers and extract a Trial Balance for that period.

(25 marks)

Question 2.

Explain in detail the users / interested parties in Accounting information.

(25 marks).

Question 3

The following details relate to the business of M. Njemba for the month of February 2012

- Feb 1 Balances brought forward: Cash in hand \$ 380, Bank overdraft \$ 1,440
- Feb 2 Njemba introduced \$ 4,000 as additional capital and deposited it into the bank
- Feb 3 Cash sales \$ 1800
- Feb 4 Bought furniture by cheque \$ 500
- Feb 5 Cash deposited to bank \$ 1,000
- Feb 6 The following amounts by Accounts receivables were paid by cheque, in each case deducting 5% discount: Kameme \$ 700, Gita \$ 500 and Kibeti \$ 900
- Feb 7 Bought goods and paid by cheque \$ 1500
- Feb 8 Cash withdrawn from bank \$ 900 for business use
- Feb 10 Paid traveling expenses in \$ 200
- Feb 15 Cash sales paid direct to bank \$ 400
- Feb 18 M. Njemba withdrew \$300 cash for personal use
- Feb 20 Paid the following amounts owed to Accounts Payables by cheque, in each case deducting 5% discount: Adero \$ 600, Bogere \$ 800 and Cephas \$ 400
- Feb 25 Wages paid in cash \$ 450
- Feb 28 Njemba deposited all cash in the bank except \$ 500, which he kept at hand

Required: Prepare a three column cash book for M. Njemba and balance it off at the end of the month

(25 marks)

Question 4

XYZ Ltd had following transactions in the month of January, 2004

Credit purchases

- 1/1/04 Invoice No. 001 purchases from Sony Ltd shs. 5,000,000
- 2/1/04 Invoice No. 250 purchases from Panasonic Ltd shs 6,000,000
- 3/1/04 Invoice No. 359 purchases LG Electronics Ltd shs 10,000,000
- 4/1/04 Invoice No. 010 purchases Sony Ltd shs 4,000,000
- 5/1/04 Invoice No. 390 purchases from LG Electronics Ltd shs 2,000,000

Credit sales

In the first week of January XYZ Ltd made sales as follows:

- 2/1/04 Invoice No. 020 sales to Uchumi Supermarkets shs 5,000,000
- 3/1/04 Invoice No. 021 sales to Nakumatt Supermarkets shs 8,000,000
- 4/1/04 Invoice No. 022 sales to Ukwala Supermarkets shs 7,000,000
- 5/1/04 Invoice No. 023 sales to Uchumi Supermarkets shs 8,000,000
- 6/1/04 Invoice No. 024 sales to Ukwala Supermarkets shs 6,000,000

Cash transactions:

At 1/1/04 XYZ balance of cash amounted to shs 4,000,000 and cash transaction during the first week of January were as follows:

1. 1/1/04 paid salaries and wages shs 2,000,000
2. 2/1/04 cash sales shs 3,000,000
3. 2/1/04 paid rent shs 4,000,000
4. 3/1/04 received from Uchumi Supermarkets shs 1,000,000
5. 3/1/04 paid Sony Ltd shs 2,000,000

6. 4/1/04 paid electricity shs 500,000
7. 4/1/04 received from Nakumatt Supermarkets shs 4,000,000
8. 4/1/04 received from cash sales shs 1,000,000
9. 5/1/04 paid Panasonic Ltd shs 3,000,000
10. 5/1/04 received from Ukwala Supermarkets shs 3,000,000

Required:

Draw the

- i) Sales Daybook (5 marks)
- ii) Sales ledgers (2.5 marks)
- iii) Purchases Daybook (10 marks)
- iv) Purchases ledgers (2.5 marks)
- v) Cashbook (10 marks)

Question 5

Given the following Trial Balance and additional information taken from the books of ABC on 31 December 2015, you are required to prepare a statement of comprehensive income and statement of financial position as at that date.

	£	£
Purchase and purchase Returns	48,300	1,400
Sales Returns and sales	2,600	72,650
Debitors and creditors	6,400	7,450
Discounts Allowed and Received	1,240	780
Drawings and capital	4,280	28,000
Stock	6,130	
Wages and salaries	7,820	
Freehold premises	20,000	
Cash at Bank and in hand	2,810	
Motor vehicles	3,200	

Furniture and fittings	1,420	
Other Expenses	2,310	
Rates and insurance	840	
Transport	3,490	
Advertising	3,160	
Rent income		3,720
	<u>£114,000</u>	<u>£114,000</u>

Additional information:

- (a) Closing stock, £ 5,580.
 (b) Provide 10% depreciation on furniture
 and fittings and 15% on motor vehicles.

(25 marks)

Question 6

- Give any three differences between cash discount and trade discount **(6 marks)**
- Explain in detail any six reasons why the cash book balance does not balance with the bank statement at any given moment. **(12 marks)**
- Explain any six (6) reasons why a cheque may bounce or gets dishonored **(7 marks)**

END !!! WISHING YOU SUCCESS