

UGANDA MARTYRS UNIVERSITY

FACULTY OF BUSINESS ADMINISTRATION AND MANAGEMENT

DEPARTMENT OF ACCOUNTING & FINANCE

SEMESTER TWO 2018/19

BSC Acc & Fin III NKOZI

**COURSE UNIT: COMPUTERIZED ACCOUNTING EXAMINATION**

**DATE: 9/5/2019**

**Time allowed: 3hours**

**Instructions**

1. Do not write anything on the question paper
2. Attempt any 3 Questions in total
3. Question One is compulsory and choose any other two of your choice
4. All questions carry equal marks
5. Save your work on a CD and indicate your registration number on the Disk

### Question One (COMPULSORY)

- a) Explain the steps involved when setting VAT with quick books (8 Marks)
- b) Explain any five uses of a general journal (10 marks)
- c) Why would you advise your organization to adopt a computerized system of book keeping (10Marks)
- d) Mention any five challenges of using a computerized (5 Marks)

### Question Two

Kisaalu Medical Center is a hospital located on Kayemba Road , P.O Box 772 Entebbe, Tel: 041 4499872, E-mail: [kisaalu@infocom.co.ug](mailto:kisaalu@infocom.co.ug). Website: [www.kisaalumc.co.ug](http://www.kisaalumc.co.ug). Create this file and set January 2019 as its financial year.

*Set up the following item service list*

Name	Description	Income account	Rate \$
Massage	Massage therapy	5060 Therapy sales	600per
Sauna	Sauna service	5060 Therapy sales	800per
CT Scan	Ct Scan	5062 Scan fees	570per
Ultra Sound Scan	Ultra Sound Scan	5062 Scan fees	500per
Ex-ray	Ex-ray service	5062 Scan fees	300per
Cervical cancer screening	Cervical cancer screening	5062 Scan fees	200per
Prostate Screening	Prostate Screening	5062 Scan fees	450per
Dialysis	Dailysis service	5060 Therapy Sales	700per
Brain Tumor screening	Tumor Screening	5060 Scan fees	950per
MPS screening	MPS screening	5065 Lab fees	150per
Widal screening	Widal screening	5065 Lab fees	200per
HIV screening	HIV screening	5065 Lab fees	350per
Brussellus Screening	Brussellus Screening	5065 Lab fees	300per
TB screening	TB screening	5070 Surgery fees	850per
Dental surgery	Dental surgery	5070 surgery fees	900per

Record the following transactions during January 2019

Jan 2019

- 1 Victoria invested \$ 2,490,000 in a bank account of the medical centre.
- 4 Paid \$ 10,000 by cheque for rent
- 6 Bought furniture and fittings \$3,250 paying by cheque from Kings Furniture LTD.
- 7 Bought medical supplies for \$6,300 cash from National Medical Stores.
- 8 Received 15 patients for CT Scan, 28 for MPS screening, 22 for prostate screening and 20 for HIV Screening collecting cash.
- 11 Issued invoice number 4100 to Plan Uganda for 18 staff for dental surgery, 8 for TB screening, 26 for MPS screening and 10 for widal screening.
- 15 Issued invoice number 4101 to Mbale Resort Hotel for 28 clients for Sauna services, 32 for massage and 4 for Brian tumor screening.
- 18 Provided dental surgery to 20 patients, Ultra sound scan for 14 patients, Ex-ray for 12 patients, Dialysis to 6 patients and cervical cancer screening for 22 clients in Uganda women's effort to Save Orphans (UWESO) receiving a cheque.
- 20 Invoiced Rubong Army Barracks for 32 MPS clients, 10 dental surgery, 18 brussellus screening, 12 Ex-ray and 5 CT scan services.
- 21 Received full payment from plan Uganda for the services offered on 11<sup>th</sup> March 2016
- 25 Offered dental surgery to 15 patients, MPS screening to 11 patients, prostate screening to 22 clients and widal screening to 18 clients collecting cash.
- 25 Withdrew \$ 2,500 from the bank for personal expenses.
- 27 Received a cheque from World Vision in respect of 30 clients for sauna services, 8 patients for HIV screening and 36 patients for Ultra sound scan.
- 28 Received a cheque from Mbale Resort Hotel being payment on account.
- 28 Provided massage services to 40 clients and sauna services to 20 clients from Rock Classic Hotel collecting the money in cash.

31      Deposited all the money on the business bank account

***Required to extract:***

- (i) Item list
- (ii) Bank Register

**Question Four**

JPK Investments sells stationery from the shop at Nkrumah Road Plot 567 Nasser Kampala. The business is owned by Jjuuko.

As at 1<sup>st</sup> January 2019 the following information was available:

Stock	Unit Cost price	Unit price	Selling	Stock on hand
Cartridges	120,000	300,000		50
Box files	200,000	500,000		60

- VAT is at 18%
- The company set the exchange rate for the month of April at 1\$:3500

**JPK Investments**

**Trial Balance As At 1<sup>st</sup> January 2019**

Accounts	Debit UGX	Credit UGX
Capital		399,698,000
Motor Vehicles	50,000,000	
Accumulated Depreciation on Motor van		12,400,000
Office equipment	38,000,000	
Accumulated Depreciation on Office Equipment		9,400,000
Stock	9,000,000	
Debtors	10,560,000	
Creditors		12,100,000
Loan - Barclays Bank		40,000,000
Loan – UMF (5months)		10,000,000
Bank – UGX	6,438,000	
Bank – USD	3,500,000	
Prepaid advertising	16,000,000	

Premises	360,000,000	
Bank overdraft		3,500,000
Accrued wages		6,400,000
<b>Total</b>	<b>493,498,000</b>	<b>493,498,000</b>

The following transactions took place during the month

January

- 1 Paid wages for March chq. 101 shs 300,000
- 2 Drew cash for own use shs. 5,000,000 chq. 102
- 3 Paid insurance shs. 300,000 chq. 103
- 4 Bought stock from Picfare Ltd 40 reams of paper on credit INV. 600
- 4 Bought stock 80 reams of paper and 20 notebooks from Oscar Industries on credit .
- 5 Katwe Traders paid shs. 5,000,000 on their account.
- 6 Paid telephone account to MTN shs. 1,560,000 chq. 104
- 7 Transferred 100 USD from the Bank USD to Bank UGX
- 8 Sold 10 reams of papers and 20 note books to Makindye SS on credit INV. 601
- 9 Sold 16 ream of paper and 26 notebooks to MTC Enterprises INV. 602
- 10 Paid Oscar industries all the amount owing chq. 105
- 12 Sold 5 reams of paper by cash
- 13 Bought a computer for shs. 25,000,000 on credit.
- 15 Paid petrol account for March to Mutsch shs. 660,000

The following adjustments should be made:

- Accrued electricity amounted to shs. 780,000
- Wages in arrears shs. 6,800,000
- Insurances is shs 100,000
- Stock taking revealed 60 reams and 62 notebooks on hand

**Required:** Use quick books to record the above

#### Question Four

The following trial balance was extracted from the books of M Jackson on 30<sup>th</sup> March 2019.

	Dr \$	Cr \$
Sales		18,614
Purchases	11,570	
Inventory at 1st May 2012	3,776	
Carriage outwards	326	
Carriage Inwards	234	
Returns inwards	440	
Returns outwards		355
Salaries and wages	2,447	
Motor expenses	664	
Rent	576	
Sundry expenses	1,202	
Motor vehicles	3,400	
Fixtures and fittings	600	
Accounts receivables	4,577	
Accounts payables		3,045
Cash at bank	3,876	
Cash at hand	120	
Drawings	2,050	
Capital		<u>13,844</u>
	<b><u>35,858</u></b>	<b><u>35,858</u></b>

Additional Notes

1. Closing inventory amounted to \$ 4,000/=

2. Depreciation is to be charged at rates of 10% on cost for fixtures and fittings and 25% on cost for motor vehicles.
3. Bad debts of \$ 800/= are to be written off.
4. Purchases of \$ 300 by cheque were not recorded in books
5. Rent of \$ 30 was prepaid
6. Accrued motor expenses were \$ 13

Required: Extract

Profit and Loss – UK Standard

Balance sheet – Uk Standard

END