



UGANDA BUSINESS AND TECHNICAL EXAMINATIONS BOARD

Business and Humanities Certificate Examinations

MAY-JUNE SERIES

PROGRAMME

NCAF, NCBA, NCPLM, NCCF, NCHIC, NCTHM, NCSOM, NCRIM, NCLIS,
NCHRM, NCPAM

PAPER NAME

BOOKKEEPING

PAPER CODE

NCBK111

YEAR I, SEMESTER I

2 ½ HOURS

MONDAY, 17TH MAY, 2021

INSTRUCTIONS TO CANDIDATES

1. This paper consists of **two** sections **A** and **B**.
2. Section **A** is compulsory and carries 20 marks.
3. Section **B** consists of **six** questions. Answer only **four** questions from this section.
4. All questions carry equal marks.
5. All answers to each question should begin on a fresh page.
6. **Do not** write on the question paper.
7. All answers and rough work should be done in the official answer booklet provided.
8. Read other instructions on the answer booklet

SECTION A - (20 MARKS)

Answer all questions in this section

Question One

- (a) List **two** source documents used to enter information in books of accounts. (02 marks)
- (b) State **three** external users of accounting information. (03 marks)
- (c) Distinguish between **current assets** and **non- current assets**. (02 marks)
- (d) The information below is extracted from the books of Hakim, a sole trader.

Land and equipment	227,000
Stock	45,000
Cash at hand	15,000
Debtor	3,700
Creditor	45,000
Bank overdrafts	20,000

Required: Use the accounting equation to determine his capital. (04 marks)

- (e) State **two** errors not revealed by trial balance totals. (02 marks)
- (f) List **two** items used to determine the cost of goods sold by the business. (02 marks)
- (g) State **three** causes of discrepancy between the cashbook balance (bank column) and the bank balance. (03 marks)
- (h) State the **two** balances of an account. (02 marks)

SECTION B - (80 MARKS)

Answer only four questions from this section

Question Two

- (a) Explain **five** accounting principles used in the preparation and maintenance of accounting records. (10 marks)
- (b) With the aid of an illustration, describe the **accounting cycle**. (10 marks)

Question Three

- (a) Distinguish between **personal account** and **impersonal accounts**. (02 marks)
- (b) You are provided with the information below from the records of Joy enterprises for the month of December, 2020.

December,

1st commenced business with cash at hand of UGX 200,000 & cash at bank UGX 2,000,000

2nd Purchased goods by cheque UGX 80,000

4th made cash sales of UGX 12,000

6th sold goods to Charles UGX 55,000

12th Received cash from Charles UGX 30,000

16th Paid electricity charges by cash UGX 10,000

20th made cash sales UGX 35,000

25th cash drawing UGX 11,000

28th purchased goods on credit from Wadega UGX 45,000

31st paid cash to Wadega in full settlement of his account

Required;

- (i) Prepare ledger accounts to record the above transactions. (11 marks)
- (ii) Extract a trial balance (07 marks)

Question Four

- (a) Explain **two** reasons why goods are returned to the seller. (02 marks)
- (b) Magendo is a businessman who owns a general merchandise shop in Mutukula town. The following transactions were extracted from his business records in January 2021

1st January - Sold to John; 4 pairs of trousers each at UGX 40,000, 3 pairs of shoes each at UGX 60,000 and 5 pairs of socks each at UGX 5,000.

8th January - Sold to Peter; 3 boxes of soap each at UGX 45,000, 5 tins of cooking oil each at UGX 15,000 and 20 packets of salt each at UGX 700.

15th January - Sold to Martin; 10 shirts each at UGX 25,000, 12 towels each at UGX 16,000 and 5 balls each at 65,000
 20th January - Sold to Richard; 6 dozens of exercise books each at UGX 10,000, 5 reams of printing papers each at UGX 15,000 and 3 boxes of pens each at UGX 20,000
 24th January - Peter returned; 1 box of soap and 5 packets of salt as being damaged
 29th January - Martin returned 2 shirts and 1 ball being not according to samples

Required

- (i) Prepare sales journal and sales returns journal for the transactions of Magendo's business for the month of January 2019. (11 marks)
- (ii) Prepare sales and general ledgers for the transactions. (07 marks)

Question Five

- (a) State the duty of a cashier in an organization. (02 marks)
- (b) Jago is a petty cashier at Lagen enterprise who keeps the books on imprest system, the weekly imprest is UGX 250,000. The following transactions were extracted from his records in the month of January 2019.

Jan 1. He received petty cash from the main cashier UGX 250,000.

Jan 1. He paid bus fare UGX 37,000 and carriage UGX 14,000.

Jan 2. He paid bus fare UGX 18,000 and office expenses UGX 12,000.

Jan 3. He bought stationery for UGX 47,000.

Jan 4. He paid carriage UGX 19,000 and bus fare UGX 25,000.

Jan 5. Bought stationery for UGX 23,000.

Jan 6. He paid office expenses UGX 15,000.

Required

Post the above transactions in a petty cash book with analysis column for the carriage, travelling, office expenses and stationery. (18 marks)

Question Six

- (a) State **four** reasons for dishonoring a cheque presented to the bank. (04 marks)
- (b) You are provided with a cash book bank column and bank statement of ABAJU enterprise for the month of May 2019.

Cash book bank column

	<u>UGX</u>		<u>UGX</u>
Bal b/d	70,000	Molly	31,000
Cheque No 02	59,000	Cheque No 12	29,000
		Bonny	13,000
James	9,000	Mugisha	5,000
Timothy	3,000	Henry	8,000
Mary	33,000	Manta	1,000
Kato	12,000	Dorah	3,000
Joel	1,000	Balc/d	97,000
	187,000		187,000

Bank statement

Date	Details	DR (<u>UGX</u>)	CR (<u>UGX</u>)	Balance (<u>UGX</u>)
	Bal b/f			70,000
	Cheque No 2		59,000	129,000
	Molly	31,000		98,000
	Cheque No 12	29,000		69,000
	James		9,000	78,000
	Bonny	13,000		65,000
	Credit transfer		17,000	82,000
	Standing order	1,000		81,000
	Direct deposit (Jolly)		15,000	96,000
	Bank charge	100		95,900

Note;

A cheque written to Henry and received from Timothy were dishonored by the bank.

Required; Prepare

- i) An amended cash book for the above business. (08 marks)
- ii) A bank reconciliation statement for the month of May 2019. (08 marks)

Question Seven

- (a) State the purpose of preparing the following accounts.
 - i) Trading account. (01 mark)
 - ii) Profit and loss account. (01 mark)
- (b) The following information was extracted from the books of MUGIMU Ltd as at 31st December, 2019.

Details	DR (UGX)	CR (UGX)
capital		13,800
Cash at hand	1,100	
Cash at bank	11,100	
Stock (1 st Jan 2019)	22,000	
Debtors / creditors	6,900	8,900
Purchases/sales	19,400	54,900
Returns inwards	500	
Salaries	2,900	
Water and electricity	1,600	
postage	300	
Office rent	1,600	
Drawings	1,000	
Furniture and fittings	7,400	
Motor van	35,000	

Bank loan		28,900
Rent received		4,300
	110,800	110,800

NB.

Closing stock was valued at UGX 13,500.

Required; Prepare

- (i) A trading, profit and loss account for MUGIMU Ltd for the period ended 31st December, 2019. (10 marks)
- (ii) A balance sheet as at that date. (08 marks)

END