

3. a) Define adjustments. (2 Marks)

b) Name eight (8) examples of adjustments. (8 Marks)

c) Show how each of the adjustments is shown in the balance sheet. (10 Marks)

4. a) Malikanachewe is a manufacturer who keeps her books on the single-entry system. The position of her business at 31st December, 2013 revealed the following.

Land and building	K10000
Computers	K6000
Stock in trade	K13000
Trade debtors	K17000
Bank balance	K3000
Trade creditors	K1875

Additional information

i. at 1st January 2013 capital was K55000

ii. during the year, malikanachewe withdraw goods worth K5000 from the business for personal use and deposit in the nosiness bank current Account K2600 realised from the sale of their private motor car.

iii. no other transaction took place.

Required

1. prepared a statement of profit and loss for the year ended 31st December 2013.

(10 Marks)

b) Read the following and answer the question below.

Jere has kept records of his business in single entry form , but he did not relies that he had to record cash drawings his bank account for the year 2008 is as follows.

Balance 01/01/08 k1890	Cash withdraw from bank 5400
Receipts from debtors k44656	Trade creditor 31695
Loan from T.hara k2000	Rent 2750
	Rates 1316
	Drawings 3095
	Sundry expenses 1645

	Balance 31/12/08 2648
48546	48546

Records of cash paid were: Sundry expenses k122, trade creditors k642 cash sales amounted to k698. The following information is also available

	2007	2008
Cash in hand	48	93
Trade creditors	4896	5091
Debtors	6013	7132
Rent owing	-	250
Rates in advance	282	312
Motor van	2800	2400
Stock	11163	13021

REQUIRED TO:

You are to draw up trading, profit and loss account for the year ended 31/12/08 and a balance sheet as at date show all your working. **(10 Marks)**

5. a) Explain what is meant by accounting packages. **(6 Marks)**
 - b) Define Computerized accounting system. **(2 Marks)**
 - c) List and explain the features of accounting software. **(4 Marks)**
 - d) Differentiate between Manual Accounting and Computerized accounting. **(8 Marks)**
6. a) What computer skills do professional accountants needs to possess? **(2 Marks)**
 - b) State the three elements of a computer system. **(4 Marks)**
 - c) List and explain the ways on how to account for VAT. **(8 Marks)**
 - d) State the advantages and disadvantages of VAT. **(6 Marks)**
7. a) What are final accounts and give examples? **(2 Marks)**
 - b) Define the following **(6 Marks)**
 - i. trading account
 - ii. profit and loss account
 - iii. balance sheet

c) The following details were taken from the books B. kalmia on 31 December 2017.

Stock (31/01/17)	4000
Stock (31/12/17)	1500
Creditors	1100
Sales	8400
Purchases	2600
purchases returns	600
sales return	400
carriage inwards	400
carriage outwards	300

Required:

Prepare trading account for the year ended 31 December 2017. **(12 Marks)**