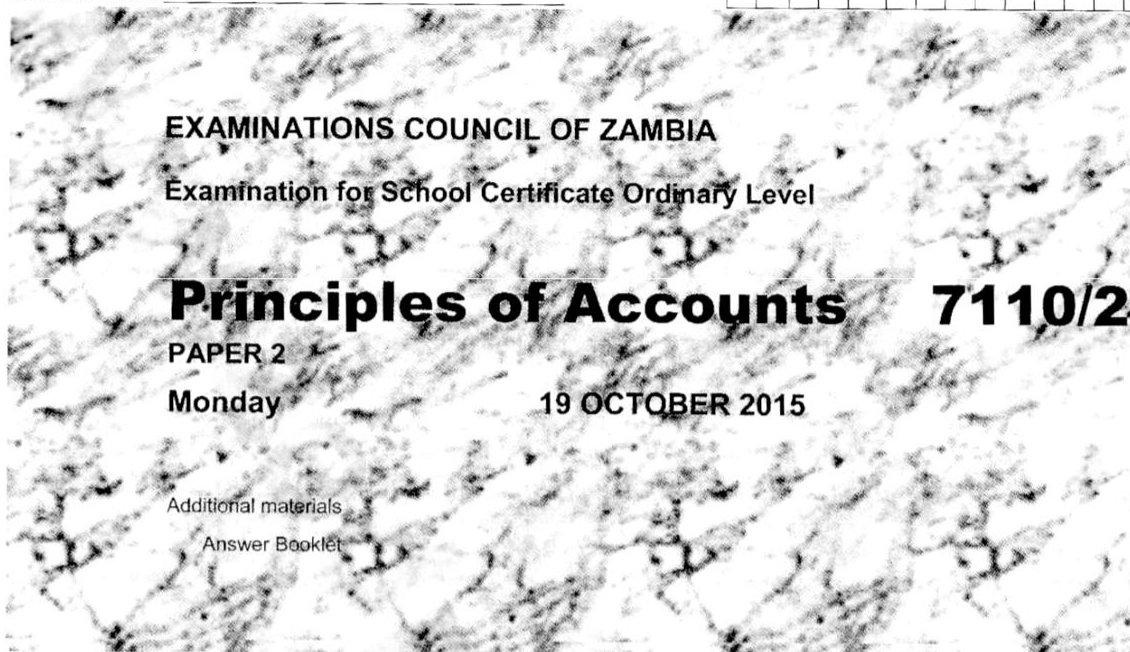


Candidate Name: _____

Centre Number	Candidate Number									



Time 1 hour 45 minutes

Instructions to candidates

There are **four (4)** questions in this question paper.

Answer **all** questions.

Write your name, centre number and candidate number in the spaces provided at the top of this page and on the Answer Booklet.

Questions one (1), two (2) and three (3)

Write your answers in the spaces provided on the question paper.

Question four (4)

Write your answers on the Answer Booklet provided. At the end of the examination fasten the Answer Booklet securely to the question paper.

Information for candidates

The number of marks is given in brackets [] at the end of each question or part question.

Calculators may be used.

Where layouts are to be completed, you may not need all the lines for your answer.

Cell phones are not allowed in the examination room.

- 1 (a) You are required to show the source documents used to record transactions in the following books of prime entry.

- (i) Cash Book.....
- (ii) Petty Cash Book
- (iii) Purchases Day Book.....
- (iv) Sales Returns Day Book.....

[4]

- (b) State any **five** uses of the General Journal

- (i)
- (ii)
- (iii)
- (iv)
- (v)

[5]

- (c) Show the separate effect on the Balance Sheet of Pakati for each of the following transactions;

- (i) Purchased goods on credit K4 000.
- (ii) Sabi a debtor sends the firm K 5 000 by cheque.
- (iii) We return goods K500 – to a supplier whose account was still outstanding.
- (iv) We pay a creditor K3 000 – by cheque.
- (v) Pakati (owner of the business) introduces K10 000 into the business by cheque.
- (vi) Bought computer K8 000 for office use paying by cheque.
- (vii) Sold goods for cash K4 500.
- (viii) A debtor pays Pakati in cash K7 700.

Copy the table below and complete with your answers (e.g. increase by K150, decrease by K150 or no effect)

Transaction	Assets	Capital	Liabilities
(i)			
(ii)			
(iii)			
(iv)			
(v)			
(vi)			
(vii)			
(viii)			

[13]

[Total: 22 marks]

- (c) G. Keelo was a customer of J. Nyangu. From the following information, **prepare** J. Nyangu's Account in G. Keelo's Ledger for the month of May 2013 and balance it.

2013

May	1	Balance due to J. Nyangu K6 000.00
	8	G. Keelo bought goods from J. Nyangu, with a list price of K10 000 less 20% trade discount.
	16	G. Keelo returned some of the goods bought on 8 May with a list price of K2 000.00
	20	G. Keelo paid his debt owing on 1 May by cheque less 2½% discount
	30	G. Keelo purchased more goods from J Nyangu K3 000 net.

[10]

[Total: 21 marks]

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3 (a) State whether each of the following expenses of Buleya Cheelo is Capital Expenditure or Revenue Expenditure.

- (i) Purchase of Shop Fixtures and Fittings
- (ii) Purchase of Motor Vehicles for resale
- (iii) Painting of old business buildings
- (iv) Paying builder for extension of the shop
- (v) Purchase of delivery vehicle for business by Buleya Cheelo
- (vi) Paying for repairs to business Motor Vehicles

[6]

- (i)
- (ii)
- (iii)
- (iv)
- (v)
- (vi)

(b) Malikana Chewe is a manufacturer who keeps her books on the single entry system. The position of her business at 31 December 2013 revealed the following;

	K
Land and Buildings	10 000
Computers	6 000
Stock in Trade	13 000
Trade Debtors	17 500
Bank Balance	3 000
Trade Creditors	18 750

Additional information;

- (i) At 1 January 2013 capital was K55 000
- (ii) During the year, Malikana Chewe withdrew goods worth K5 000 from business for personal use and deposited in the business Bank Current Account K2 000 realised from the sale of her private motor car.
- (iii) No other transactions took place.

Required;

- (i) to prepare a Statement of Profit and Loss for the year ended 31 December 2013 [6]
- (ii) to prepare a Statement of Affairs as at 31 December 2013 [10]
- [Total: 22 marks]**

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- 4 The Chingola Recreation Club had the following details during the year ended 31 March 2014.

**RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED
31 March 2014**

		K		K
Bank balance	b/f	40 000	Payments for refreshments	230 500
Sales of refreshments		525 000	Stationery	62 700
Subscriptions		250 000	Rent	55 000
Donations		702 000	Prizes for competitions	82 000
Balance	c/d	513 200	Purchase of a computer	1 600 000
		<u>2 030 200</u>		<u>2 030 200</u>
Balance b/d				513 200

The following information is also available;

	31/03/13	31/03/14
Subscriptions in advance	78 000	21 200
Subscriptions in arrears	56 400	49 000
Stock of refreshments	27 000	32 500
Arrears on suppliers of refreshments	10 000	15 000
Printing machine (cost K500 000)	370 000	320 000

Required:

- (i) Prepare the Trading Account for Refreshments with the correct heading. [5½]
(ii) Prepare the Subscriptions Account. [6½]
(iii) Prepare the Income and Expenditure Account for the year ended 31 March 2014 and the Balance Sheet as at that date (show the calculation of the Accumulated Fund as at 1 April 2014). [23]

[Total: 35 marks]