



**UGANDA INSTITUTE OF INFORMATION AND COMM. TECHNOLOGY
END OF SEMESTER I YEAR ONE EXAMINATION ACADEMIC YEAR 2022/2023**

DEPARTMENT : MGT
YEAR OF STUDY : ONE
PROGRAM : REC
COURSE : BOOK KEEPING & PERSONAL FINANCE SKILLS
COURSE CODE : ACF 112
DATE : FRIDAY 17TH, MARCH, 2023
TIME : 14:00-17:00 HOURS
DURATION : 3HOURS

INSTRUCTIONS:

- i. This paper consists of **TWO** sections, **SECTION A & B**
- ii. Answer **FIVE (5)** Questions in all.
- iii. Section A is **COMPALSORY**, Answer any **THREE** questions from **Section B**
- iv. Credit will be given for the use of relevant examples and illustrations.
- v. Mobile phones are **NOT** allowed in the exam room.
- vi. **DO NOT** write anything on this question paper, rough work should be done in the answer booklet and cancelled through.
- vii. Start a new number on a new fresh page.

SECTION A (COMPULSORY)

QUESTION ONE

- a) What is the meaning of personal finance management? **(03 marks)**
- b) What are the 5 main components of personal finance? **(05 marks)**
- a) How do you manage personal finances? Demonstrate using practical examples **(12 marks)**

QUESTION TWO

The following are MABAATI Trading Co. Ltd transactions for the Month of December 2022.
Dec. 1 The debit Cash and Bank Balances brought forward from the month of November 2022 were shs. 412,000 and shs. 855,000/= respectively.

- “ 2 Cash sales shs.804,000/=
- “ 4 Took shs.150,000 out of the cash till and paid it into bank
- “ 5 Walusimbi paid us by cheque shs. 566,000/=
- “ 5 We paid postage stamp in cash shs. 75,000/=
- “ 6 Bought office equipment by cheque shs. 1,865,000/=
- “ 7 We paid Nabanja by cheque shs 450,000/=
- “ 10 Received from SWICO – for insurance refund shs. 277,000 by cheque
- “ 12 Withdrew shs.300,000 from the bank for business use
- “ 19 Paid wages in cash shs.270,000/=
- “ 21 Paid motor expenses by cheque shs.188,000
- “ 23 Mugabe gave the Business a loan of shs. 1,000,000 in cash
- “ 25 Zuma paid the Business by cheque of shs.422 000/=
- “ 27 Paid general expenses by cash shs.90,000
- “ 29 Paid insurance expenses by cheque shs. 285,000/=

Required:

Write up a TWO –Column-cash book for the Month of December 2022 for MABAATI Trading Co.Ltd and then Balance it off. **(20 Marks)**

SECTION B (Attempt Any Three Questions from this Section)

QUESTION THREE

- a) The bank statement balance and the cash book balance (bank column) of Suspect Uganda Limited do not always agree. Give the causes of this disagreement. **(06 Marks)**
- b) The following is the cash book of Suspect Uganda Ltd for the month of January, 2022

Cash Book (Bank Column)

Particulars	Dr (shs)		Cr (shs)
Bal b/f	800,000	Cheque no 008	250,000
Cheque no 001	500,000	Cheque no 010	500,000
Cheque no 005	4,500,000	Cheque no 011	1,000,000
Cheque no 007	2,250,000	Cheque no 012	1,250,000
Cheque no 009	250,000	Cheque no 016	1,250,000
Cheque no 013	750,000	Cheque no 018	250,000
Cheque no 014	650,000	Bal c/f	5,200,000
Total	9,700,000	Total	9,700,000

The bank statement for Suspect Uganda Ltd for the month of January, 2022

Particulars	Dr (shs)	Cr (shs)	Balance
Balance			800,000
Cheque no 001		500,000	1,300,000
Cheque no 005		4,500,000	5,800,000
Cheque no 008	250,000		5,550,000
Cheque no 010	500,000		5,050,000
Cheque no 011	1,000,000		4,050,000
Bank Charge	600,000		3,450,000
Commission	1,000,000		2,450,000
Cheque no 007		2,250,000	4,700,000
Legal fees	2,000,000		2,700,000

Additional information:

- i) The following cheques were dishonored by the bank Cheque number 014,012 and 018
- ii) In case of any mistakes, they were made in the Cash book.

Required;

Prepare an adjusted cash book and a bank reconciliation statement for the month of January, 2022 for Suspect Uganda Ltd **(14 marks)**

QUESTION FOUR

- a) What are the objectives of personal finance? **(04 marks)**
- b) What are the importance's of personal financial management? **(08 marks)**
- c) From the personal finance skill learnt, what factors might affect your personal financial concerns **(08 marks)**

QUESTION FIVE

- a) Explain the following accounting concepts;
 - i) Business Entity Concept (02 marks)
 - ii) Money Measurement Concept (02 marks)
- b) State two types of errors the trial balance cannot detect. (02 marks)
- c) Distinguish between the term purchases and sales as applied in accounting. (02 marks)
- d) Explain the three elements of the accounting equation providing three (3) examples of each element. (12 marks)

QUESTION SIX

- a) Distinguish between book keeping and financial accounting (04 marks)
- b) State the desirable qualities of accounting information. (04 marks)
- c) Give 6 users of accounting information and state their interests (12 marks)

QUESTION SEVEN

- a) How can one improve his or her personal finance skills? (10 marks)
- b) What example of personal finance projects of that can justify personal finance? (10 marks)

****GOOD LUCK****