

Financial Accounting May/June 2012

Question 1

Explain the following types of accounts and in each case, state the rules regarding the recording of transaction in their debit and credit sides:

- Personal Account;
- Real Account;
- Nominal Account;
- Liabilities Account;
- Assets Account.

Question 2

Explain five events that may lead to the dissolution of a partnership.

(b) State how the proceeds from dissolution of partnership are applied.

Question 3

(a) State three uses of control account.

(b) List five items that are debited in the sales ledger control account.

(c) List four subsidiary books from which sales ledger control account is compiled

Question 4

4a (i) Explain reserves;

(ii) List two classification of reserves

(b) State three ways in which reserves are utilized.

(c) List four examples of reserves.

Question 5

This question required candidates' to prepare:

(a) Trading, Profit and Loss account;

(b) Appropriation Account, and

(c) Partners' Capital Accounts.

Question 6

In this question, candidates' were required to prepare:

(a) Journal entries necessary to correct the errors;

(b) Suspense Account.

Question 7

In this question, candidates' were required to prepare:

(a) Statement of Affairs;

(b) Receipts and Payments Account;

(c) Subscriptions Account;

(d) Income and Expenditure Account.

Question 8

In this question, candidates were required to prepare:

(a) Branch Stock Account;

(b) Branch Stock Adjustment Account;

(c) Branch Profit and Loss Account.

Question 9

In this question, candidates' were required to prepare:

(a) A Statement, and

(b) Receipts and Payments Account of a Local Government.