

1. The following transactions relate to Fafi Enterprises for January 2012

- Started a business with 40,000 Sh in bank and Sh 10,000 cash
- Bought furniture 5,000 by cheque
- Bought goods Sh 13,000 on credit
- Withdrew Sh. 2,500 from the bank and put it in the business cash till
- Sold goods worth 20,000 Sh for Sh 27,000 cash.
- Owner took away goods worth Sh 1,000 for home use
- Sold goods valued at Sh 1,000 for 800 Sh on credit
- Paid a creditor Sh 7,500 by cheque

Required prepare Fafi Enterprises balance sheet as at 31st January 2012

2. The following balances were extracted from the books of Ras Kamboni traders on 1st October 2011

Capital	510,000
Creditors	153,000
Motor Van	170,000
Furniture	170,000
Stock	51,000
Debtors	68,000
Cash	204,000

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P.O. Box 274-01030 GATUNDU
Date: 16/10/2011

The following transactions took place in the month of October 2011

- Sold some old furniture Sh 51,000 for which 43,000 cash was received and the

balance was to be paid later

- Bought goods of 85,000 and paid cash 59,500 and the balance to be paid later
- The proprietor took of 8,500 cash from the business to cover for family living

Required

Required Draw Ror kamboi's Orders balance sheet as at 31st October 2011

3 Record the following transactions in Helobane ledger of sales and enterprises

- May
- 1 Started a business with 40,000 cash
 - 2 Deposited sh 300,000 in business bank account
 - 3 Bought stock of 30,000 cash.
 - 4 Bought a delivery van of 80,000 by cheque
 - 5 Paid Rent sh 3,000 cash
 - 6 Bought more goods from Tingo traders on credit of 45,000
 - 7 Sold goods for sh 20,000 cash.
 - 8 Sold goods on credit to John Chinedu of 10,000
 - 9 Returns to Tingo traders sh 3,000
 - 10 Sold goods of 15,000 and was paid by cheque
 - 11 Returns from John Chinedu of 2,000
 - 12 The proprietor took away cash 5,000 for personal use
 - 13 Paid Tingo traders sh 25,000 by cheque
 - 14 The owner brought in personal furniture of 15,000 to be used in the business
 - 15 Bought Stationery of 500 cash and paid postage of 250 cash
 - 16 Bought goods of 15,000 and paid by cheque
 - 17 Paid Salaries sh 23,000 by cheque
 - 18 Sold goods to other traders of 10,000 on credit

Required

Record in the relevant ledger accounts and balance them off

4 Enter the following transactions in cash book of Kimari Enterprises and balance it as at May 15 2005.

May 1 Balances brought down

Cash sh 5500

Bank overdraft 10,500

creditors (Mwaka sh 3000, Kosi sh 5000)

debtors (Joto 9000 Kiama 12000)

May 2 The owner put into the business cash from personal sources for 8000

May 4 - Sold stock worth sh 4200 and was paid by cheque

May 7 - Paid Mwaka his account by cash 2000 sh.

May 10 - Bought goods sh 4500 sh from Mwaka on credit

May 11 - Joto paid his account by cheque and was allowed a 5% cash discount

May 13 - Kiama paid half of his account in cash and was allowed a 2.5% discount.

May 15 - Paid Kosi his account by cash who allowed 7.5% discount

5 The following balances were extracted from the books of UJI motor traders as at 30th June 2007

Cash at bank	12,500
Cash at hand	7,500
Wages due	3,500
Creditors	11,500
Debtors	30,000
Loan from a bank	60,000
Motor vehicles	100,000
Equipment & machinery	50,000
Stock	25,000

Required prepare a Balance Sheet for UJI motor traders as at 30th June 2007

6 Explain five measures the government may take to solve unemployment ~~1001~~

7 Higher national income may not necessarily mean better welfare for the citizens of a country
Discuss

8 Discuss possible effects of eliminating the monopolies from the chain of distribution

9) Highlight benefits that may accrue to a manufacturing firm that uses modern technology

10) Explain five internal economies of scale to a firm

H.O.D. APPLIED SCIENCE
KARUNGA GIRI HIGH SCHOOL
P. O. BOX 274-01030 GATUNDI
Date: 16/10/24