



OFFICE OF THE DEPUTY PRINCIPAL

ACADEMICS, RESEARCH AND STUDENTS' AFFAIRS

UNIVERSITY EXAMINATIONS

2018 /2019 ACADEMIC YEAR

SECOND YEAR FIRST SEMESTER REGULAR EXAMINATION

FOR THE DIPLOMA IN BUSINESS

MANAGEMENT

COURSE CODE: DBA 05

COURSE TITLE: ACCOUNTING AND FINANCE FOR NON-FINANCE MANAGERS

DATE: 14TH DECEMBER, 2018

TIME: 9.00AM – 12.00PM

INSTRUCTION TO CANDIDATES

- SEE INSIDE

THIS PAPER CONSISTS OF 5 PRINTED PAGES

PLEASE TURN OVER



DPA 05: ACCOUNTING AND FINANCE FOR NON-FINANCE MANAGERS

DURATION: 3 HOURS

INSTRUCTIONS TO CANDIDATES

- Answer Question **ONE** and any other **TWO** questions
- Question **ONE** carries 30 marks
- Do not write on the question paper/

QUESTION ONE (30 MARKS)

The following trial balance has been extracted from the ledger of Mr. Sakwa a sole trader.

	SHS	SHS
Sales		138,078
Purchases	82,350	
Carriage	5,144	
Drawings	7,800	
Rent, rates and insurance	6,622	
Postage and stationery	3,001	
Advertising	1,330	
Salaries and wages	26,440	
Bad debts	877	
Provision for bad debts		130
Debtors	12,120	
Creditors		6,471
Cash in hand	177	
Cash at bank	1,002	
Stock at at 1 June 2015	11,927	
Equipment		
At cost	58,000	
Accumulated depreciation		19,000
Capital		53,091
	<u>216,770</u>	<u>216,770</u>

The following additional information as at 31 May 2016 is available:

- (a) Stock at the close of business has been valued at shs 13,551.

Required:

Prepare an income statement and a statement of financial position for the year ended 31 May 2016. (20 Marks)

QUESTION TWO

The following balances were extracted from the books of Sifa ltd for the year ended 31st Dec. 2017.

	Shs'000'
Sales	47,600
Purchases	22,850
Office expenses	1,900
Insurance expense	700
Salaries and wages	7,900
Electricity expenses	1,200
Motor vehicle expenses	650
Discount allowed	1150
Returns inward	200
Returns outwards	150
Land and buildings	40,000
Machinery	5,000
Motor vehicles	12,000
Accounts receivables	12,500
Cash at bank	7,800
Accounts payables	3,400
Long term bank loan	10,000
Capital	60,000
Cash drawings	4,000
Opening stock	500

Additional information

i). Closing stock on 31st December, 2017 was 550

QUESTION THREE

List and explain the principles of management (20 marks)

QUESTION FOUR

Briefly explain the routine and non-routine functions of a finance manager in an organization (20 marks)

QUESTION FIVE

Briefly explain the fundamental principles of accounting (20 marks)
