

MURANG'A UNIVERSITY COLLEGE

A Constituent College of Jomo Kenyatta University of Agriculture and Technology

UNIVERSITY EXAMINATIONS 2013/2014

EXAMINATION FOR

HEH 2101; FUNDAMENTALS OF ACCOUNTING

ANSWER QUESTIONS ONE AND ANY OTHER TWO QUESTIONS

DATE:

TIME: 3 HOURS

QUESTION 1 (COMPULSORY)

a) The following terms are usually encountered in the preparation of accounts.

(i) Fundamentals accounting concepts

(ii) Accounting bases

(iii) Accounting policies

You are required to define the three terms and show their respective importance in the field of Accounting

[6 marks]

b) Mr. Samuel Nzioka has given you the following balances extracted from his books of account as at 30th September, 2010.

Cash on hand	12,000
Cash in Bank	110,000
Stock 1.09.2010	210,000
Debtors	80,000
Creditors	100,000
Returns Inwards	5,000