**GATITU MIXED SEC SCHOOL**

**BUSINESS STUDIES FORM 4**

**MID TERM EXAM 2015**

1. Define source documents. 3mks
2. Give two functions of a ledger book. 4mks
3. What is journal proper? 3mks
4. Wendani traders had the following assets and liabilities on 1st Jan 2015.

Bank ksh. 180,000

Cash 40,000

Furniture 80,000

Land and building 100,000

Creditors- mambo 30,000

The following transactions took place during the month of January, 2015:

Jan 3 bought goods from Mambo worth sh. 80,000 and Kamu 50,000

Jan 6 took tables and chairs valued at sh. 35,000 from his house to be used in business.

Jan 10 sold goods on credit to Emmy worth sh, 90,000

Jan 12 made the following payments; Mambo sh. 25000 and kamau sh. 31,000 by cheque.

Jan 13 received payments from Emmys sh. 24000 cash.

Jan 18 received commission in cash sh. 10,000

Jan 22 returned goods to Mambo sh. 8800

Jan 24 with draw sh, 50,000 from bank for office use.

Jan 27 paid rent sh. 60,000 by cheque.

Jan 28 took goods worth 150,000 for family use

Jan 30 Emmy returned goods worth sh, 30,000

Required

1. Prepare relevant account (ledger)
2. Extract the relevant trial balance out of this. 20mks

1. The following transactions relate to Kongo enterprises in the month of October 2014

October 2 sold goods for sh. 50,000 cash

October 3 received a cheque for sh. 78000 from Okinyi a debtor after offering him cash

Discount of sh. 4000

October 10 received sh. 39 200 cash from Wekesa a debtor after allowing him 20% discount

October 11 deposited sh. 18000 cash into a bank

Prepare a cash receipt journal of Kongo enterprises. 10mks

1. What is a petty cash book? 4mks
2. Explain briefly population structure. 6mks
3. Name the ledger in which each of the following accounts can be found 10mks

Account ledger

1. Motor vehicle account
2. Debtors account
3. Creditors account
4. Bank account
5. Purchase account
6. Drainage account
7. Sales returns
8. Cash account
9. Rent income
10. insurance