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**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**UNIVERSITY EXAMINATION, 2023/2024 ACADEMIC YEAR**  
**FOR THE CERTIFICATE IN HOSPITALITY MANAGEMENT**  
**CHM 302: INTRODUCTION TO BOOKKEEPING**

Date: 6<sup>TH</sup> DECEMBER 2023

Time: 11:30AM-1:30PM

**INSTRUCTIONS TO CANDIDATES**

**ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS**

**QUESTION ONE (30 MARKS)**

- a) Describe three types of petty cash systems. (6 Marks)
- b) Discuss three types of business ownership. (6 Marks)
- c) Joyland hotel has the following Transactions for the month of Jan 2021:
- June 1 Bought furniture and fittings ksh 3000 paying by cheque.
  - June 2 Sold goods for cash ksh 600.
  - June 5 Bought goods on credit ksh 4000 from Carol.
  - June 6 Bought stationery ksh 2000, paying in cash

**Required: Record the required journals and ledger for the above transactions.**

**(8 Marks)**

- d) Sandton Hotel has the following items in his balance sheet as on 30 May 2022.

Capital	Ksh 46,800
Creditors	Ksh 4740
Fixtures	Ksh 9,000
Motor Vehicles	Ksh 8,400
Stock of goods	Ksh 11,440
Debtors	Ksh 11,000
Cash at bank	Ksh 10,900
Cash in hand	Ksh 800.

**Required: prepare statement of financial position (Balance sheet) as at 30<sup>th</sup> April 2020**

**(6 Marks)**

- e) Outline four reasons why a proprietor may maintain incomplete records. (4 Marks)

**QUESTION TWO (20 MARKS)**

- a) State Six advantages of maintaining a cashbook. (6 Marks)
- b) Identify and discuss three types of General cashbook. (6 Marks)
- c) Record the following transactions in a Analytical pettycash book for the month of January 2022. (8 Marks)

2022	Transactions	KSH
Jan.01	Cash received from head cashier for petty cash	3000
Jan.05	Paid telephone expenses	200
Jan.07	Paid postage expenses	300
Jan.10	Cartage paid	300
Jan.11	Travelling expenses paid	400
Jan.12	Paid office expenses	300

### **QUESTION THREE (20 MARKS)**

- a) Outline Five main subsidiary books of accounts. **(5 Marks)**
- b) Discuss Five main similarities between cashbook and a journal. **(5 Marks)**
- c) Identify Four documents used to record entries in Bookkeeping. **(4 Marks)**
- d) Prepare the trial balance of Whitesands Hotel from the available balances as on date 30.03.2019, which as follows: **(6 Marks)**

<b>Particulars</b>	<b>Amount</b>
Capital	3,000,000
Profit	100,000
Motor vehicles	1,000,000
Debtors	50,000
Telephone expenses	50,000
Land	2,000,000

### **QUESTION FOUR (20 MARKS)**

- a) Discuss Six main differences between Cash Basis and Accrual Basis Accounting. **(6 Marks)**
- b) Identify four major accounting transaction. **(4 Marks)**
- c) Discuss three main disadvantages of maintaining incomplete records in a business. **(6 Marks)**
- d) Identify two classification of assets and give example of each. **(4 Marks)**

### **QUESTION FIVE (20 MARKS)**

- a) Identify Six main users of accounting information. **(6 Marks)**
- b) Briefly explain the following terms;
  - i) Assets **(2 Marks)**
  - ii) Liabilities **(2 Marks)**
  - iii) Income **(2 Marks)**
- c) Explain Five main characteristics of incomplete records. **(5 Marks)**
- d) In business the seller may experience sales return. Identify three reasons that may lead to sales return. **(3 Marks)**