



**ZIMBABWE EZEKIEL GUTI UNIVERSITY**

**COLLEGE FOR LIFE LONG LEARNING**

**Faculty of Law, Business Intelligence and Economics**

**EXAMINATION PAPER**

**COURSE CODE** : DAF 111/DMF111/DBF111  
**COURSE TITLE** : Principles of Financial Accounting/Accounting  
Principles for MFI's/Introduction to Financial Accounting 1  
**SPECIAL REQUIREMENTS** : NONE  
**DURATION** : 2 Hours  
**LEVEL** : 1.1  
**DATE** : 09 APR 2025

**INSTRUCTIONS TO CANDIDATES:**

1. No cell phones are allowed in the examination venue.
2. Use of silent, non-programmable calculators is allowed.
3. Answer ALL questions
4. The number of marks for each question or part question is shown in brackets  
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5. Begin each answer on a new page.
6. **DO NOT OPEN THIS PAPER UNTIL THE INVIGILATOR INSTRUCTS YOU.**

### Question One

Mr Soko has been trading for some years in the business. The following list of balances has been extracted from his ledger as at 31 April 2023, the end of his most recent financial year.

	\$
Capital	83887
Sales	259870
Trade accounts payables	19840
Returns outwards	13407
Allowance for doubtful debts	512
Discount allowed	2306
Discount received	1750
Purchases	135680
Returns inwards	5624
Carriage outwards	4562
Drawings	18440
Carriage inwards	11830
Rent, rates, and insurance	25793
Heating and lighting	11010
Postage, stationery, and telephone	2410
Advertising	5980
Salaries and wages	38521
Bad debts	2008
Cash in hand	534
Cash at bank	4440
Inventory as at 1 May 2022	15654
Trade accounts receivable	24500
Fixtures and fittings-cost	120740

Provision for depreciation on fixtures and fittings	63020
Depreciation	12074

The following additional information as at 30 April 2023 is available

- Inventory at the close of business was valued at \$17 750.
- Insurance have been prepaid by \$1 120.
- Heating and lighting is accrued by \$1 360.
- Rates have been prepaid by \$5 435.
- The allowance for doubtful debts is to be adjusted so that it is 3% of trade accounts receivables.

### Required

Prepare Mr Sook's Statement of Profit or loss and other comprehensive income for the year ended 30 April 2023 and a Statement of financial position as at that date. **[25 marks]**

### Question Two

On January 1 20X9, Manga. M commenced business as a retailer with the capital at bank of \$500. During the month of January 20X9, the following transactions took place;

Jan 2. Bought goods on credit from: M. Murombo \$250; F. Gwena \$460

Jan 4. Bought goods paying by cheque \$140

Jan 5. Cash sales, paid direct to bank \$135.

Jan 7. Sold goods on credit to A. Ngorima \$46.

Jan 9. Goods returned to F. Gwena, valued at \$24.

Jan 12. Paid rent by cheque \$45 and wages by cheque \$30.

Jan 16. Bought goods on credit from M. Murombo \$175

Jan 20. Cash sales, paid direct into bank \$220.

Jan 26. Sold goods on credit to L. Mafukidze \$120

Jan 28. Paid wages by cheque \$32.

Jan 29. Cash sales, paid into bank account \$270.

Jan 30. L. Mafukidze returned goods valued at \$12

M. Manga withdrew \$40 from the bank as personal drawings

Jan 31. Paid M. Murombo \$300 on account; F. Gwena \$300 all the payments were by cheque.

### Required:

Complete double entry in the ledger accounts and balance off the accounts. **[25 marks]**

**Question Three**

a) State and describe any five errors that do not affect trial balance agreement.

(10 marks)

(b) Explain briefly any five accounting concepts that are useful in preparation of financial statements. (15marks)

**END OF EXAMINATION QUESTION PAPER**

1/1 PM