

MAGANJO INSTITUTE OF CAREER EDUCATION

COURSE STRUCTURE : ACCOUNTANCY UNIT FOUR

COURSE OBJECTIVES AND OUTCOMES	MODULE/ PAPER	CLASS ROOM ASSIGNMENTS CREDITS	HOME TAKE ASSESSMENT CREDITS	UNIT EXAMS CREDITS	TOTAL CREDITS PER MODULE
At the end of this unit, a student is expected to have studied the prescribed modules in this unit and to have done completed all the prescribed assignments and unit exams.	861	6.00	6.00	8.00	20.00
<u>The objectives of this study unit are;</u>	982	3.00	3.00	4.00	10.00
<ul style="list-style-type: none"> • to introduce the student to the history and science of Marketing and business administration • to equip them with student with Marketing and business administration <ul style="list-style-type: none"> ○ techniques • to enable the learner understand and take responsibility for their own learning , career development and rights and responsibilities within the industry • to help the student learn how to manage client and staff relations with in the industry • to enable the student understand the social and economic environment within which businesses operate 	961	6.00	6.00	8.00	20.00
	914	9.00	9.00	12.00	30.00
<u>The expected outcomes of this course unit are;</u>	934	6.00	6.00	8.00	20.00
<ul style="list-style-type: none"> • The student should be able to define key words and explain key concepts in the prescribed modules • The student will be able to understand key factors of business success • The student will be able to perform key marketing operations • The student will be able to perform key administrative functions 	TOTAL	30.00 CREDITS	30.00 CREDITS	40.00 CREDITS	100.00
<u>References</u>					

MERCANTILE LAW (861)

ASSESSMENT

For the purposes of assessing and monitoring your progress, please answer the following questions, as best as you can. You must hand in your work within a period of 3 weeks for making and recording. The tutor concerned reserves the right to reject your work if there is reason to suspect that someone else has done it for you. You will be subjected to snap questions as you hand in; this is meant to confirm whether the completed work is original to you.

QUESTIONS

1. Discuss the fact in the case of Carill Carbolic Smoke Ball Co.
2. Differentiate between offer and invitation to treat.
3. Comment on the remedies available in courts for breach of contract.
4. To what extent is the exclusion clause binding on a party?
5. (a) How may a contract be terminated?
(b) Set out the vitiating elements of a contract in their details.
6. (a) Discuss the rule in the Pinnel's case
7. A third party (a stranger) cannot derive benefit from a contract. Discuss.
(b) What are the exceptions to the rule in 6(a) above?
8. Discuss the rules governing:
(a) Valid offer
(b) Valid acceptance
9. Discuss the fact and rule in the case *Levis vs. Avary* (1972)

(c) Valid consideration

10. Discuss the differences between insurance contract and gambling.
11. Explain the principles of insurance contract
12. (a) Define a policy and state the rule in MaCaura's case
(b) What are the major policies under life insurance?
13. Differentiate between insurable interest in life and insurable interest in property.
14. Define and classify agents.
15. (a) How is agency relation (contract) created?
(b) To what extent does the agent's acts bind the principle?
16. Explain the characteristics under each class of agency.
17. Discuss the duties and rights of the agent
18. The one who acts on behalf of another acts himself Discuss.
19. How is agency contract brought to an end?
20. Explain the formation of a partnership.
21. Discuss the rights and duties of partners.
22. How may a partnership business be put to an end (dissolved)?
23. Differentiated between a partnership and a company.
24. In which way does the liability under partnership differs from that under company?
25. Discuss the contents and provisions of a partnership deed 1890.
26. (a) Differentiate between a common carrier and a private carrier.
(b) Set out the duties and rights of the two in 26(a) above.

27. Describe the content in the rule of Nemo dat Quod non Habet and give its exceptions.
the light of conditions and warranties.
29. (a) State and explain the types of goods under the Act.
28. Sale of goods contract is unique. Because even if it is not state some elements can be implied. Discuss
(b) How is price determined under sale of goods?
30. Differentiate sale of goods from:
(a) Exchange (c) Mortgage (d) Bailment
(b) Hire purchase (e) Contract of skills and labour
31. (a) Compare
(b) Explain the rules relating to the passing of property under the sale of goods contract
32. Discuss the rights of an unpaid seller.
33. (a) Define a company
(b) Compare and contrast private limited and public limited companies.
34. Explain the implied rule in the case of Fergation vs. Williams 1886
Explain the contract in the Memorandum of Association.
35. (a) How may a company's name be changed?
(b) Discuss the rules leading to the alteration of the company's Memorandum of Association
36. (a) Comment on the statement "UPLIFTING OF A COMPANY'S VAIL" of incorporation.
(b) Why may there be a need to lift the company's veil of incorporation!
37. State the doctrine in the case of Solomon vs. Solomon (1937)

38. (a) Explain the types of Meetings Company's hold
- (b) In which ways can a minority share holder bind others.

BUSINESS STATISTICS (982)

ASSESSMENT

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You in “our work within a period of three weeks for marking and recording.

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EXERCISE

1. Suppose it has been determined with probability. 0.1 That any child-born in Maganjo will have a birth defect during a given month
 - (a) What is the probability that 2 of them will have a birth defect
 - (b) What is the probability that at least 2 of them will have birth defect
2. (a) Distinguish between a discrete random variable and a discrete probability distribution
 - (b). State and explain the major properties of the normal distribution
3. A packing machine is expected to pack 25 cartons of SKIV per hour, with the numbers of cartons packed following a normal distribution. To check the efficiency, the number of cartons it packed per hour was recorded in 9 hours. The mean number of cartons $\bar{X} = 24$, use $\alpha = 0.02$ and $\beta = 0.05$ to determine whether the machine is differently from its expectations.
4. (a) Distinguish regression from correlation

(b) Explain the importance of both measurements

(c) Given the following data

X	50	25	10	5
Y	2	4	10	10

Find the values of A, and B.

5. The following table shows the high school and college grade point averages for seven students, where the highest possible grade point in both cases is 4.0

(a) Write the equation of the least squares line for the data

X	2.50	3.00	3.25	3.50	3.75	4.00
Y	1.80	2.50	3.50	3.00	3.20	3.50

(b) Find the correlation between high school and college grade point average.

6.(a) Independent events

(b) Dependent events

(c) Mutually exclusive and exhaustive events

(d) Random variables

(e) Product rule

(f) Additive rule

(g) Probability

7. (a) Distinguish between price indices and index numbers.

(b) What is the importance of price indices in the market?

(c) Explain the criteria of attaining a complex price index in the market.

8. Explain the following indexes with their advantages

- (a) Fishers indexes
- (b) Laspeyres indexes
- (c) Paasche indexes
- (d) Quantity indexes

9.(a) Distinguish between interpolation and extrapolation of variables

(b) Explain the advantages and disadvantages of both above.

10.(a) Define coefficient of determination'

(b) What are its limitations?

Cost Accounting (961)

ASSESSMENT:

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EXERCISE

1. Define Cost Accounting. Distinguish between Cost Accounting and Financial Accounting.
2. Describe the main purposes of cost accounting.
3. Explain the important conditions for effective costing system.
4. Explain the difference between costing and cost accounting.
5. The following information is available from the books of Ided Manufacturing Ltd.

Stocks on January 1st 1997	shs
Raw material	25,000
Work in progress	38,000
Finished goods	42,000
Stocks on 31 st Dec. 1997	
Raw material	30,000
Work in progress	32,000
Finished goods	45,000
Purchase of raw materials	280,000

Carriage inwards	7,000
Returns of raw materials	13,000
Direct wages	80,000
Salaries (40% factory, 30% office, 30% salemen)	60,000
Rent (30% factory, 30% office, 40% warehouse)	40,000
Factory power	15,000
Factory expenses	20,000
Administration expenses	12,000
Selling and distribution expenses	18,000
Sales	650,000

Required

- i. Prepare a production cost statement
 - ii. Prepare a profit statement
6. Explain briefly the scope of cost accounting
 7. Describe the various costing methods
 8. What is meant by costing techniques? Explain the various costing techniques
 9. Write short notes on the following
 - a) Contract costing
 - b) Operation costing
 - c) Absorption costing
 - d) Marginal costing
 - e) Uniform costing

FINANCIAL ACCOUNTING (934)

ASSESSMENT

For purposes of assessing and monitoring your progress, please answer the following questions, as best as you can.

You must hand in your work within a period of 3 weeks for marking and recording. The tutor concerned reserves the right to reject your work if there is reason to suspect that someone else has done it for you.

You will be subjected to snap questions as you hand in. This is meant to confirm whether the work is original to you.

QUESTIONS

1 .(a)What are royalty accounts?

(b)Explain the features of royalty accounts.

2. By use of relevant examples distinguish between a lessor and a lessee.

3 .Trevor, Trenn and Tresse entered into a joint venture for making bricks.

They have no joint banking account. Details of the transactions for the Year 2003 are as follows:

-Trevor paid lease charge for the land lord to use s.3 1,200.

-Trenn supplied basic inputs at shs.9600.

-Trevor employed labour for clearing and preparing workplace shs.2 1,000

-Trenn charged motor expenses shs.3400.

-Trevor employed labour for piling shs.7200.

- Trevor paid the following expenses; security shs.2000;labour shs.3600 and piling shs.5\$00.

- Tresse employed labour for loading bricks shs. 14.600.
- Sale expenses paid by Tresse shs.7800.
- Tresse received a cheque from sale proceeds gross shs. 197,400.

Any outstanding balances between parties are settled by cheque.

Required: Show the joint venture accounts in the books of Trevor, Trenn and

Tresse. Show the profit which is to be apportioned:Trevor $\frac{7}{12}$ Trenn $\frac{3}{14}$.

And Tresse $\frac{2}{12}$

4. (a) What is a bill of exchange?

(b) Explain the parties to a bill of exchange.

5. On 1st April 2003, V.BRICK sells goods to Taylor valued at shs.6,000,000. Taylor accepts a bill for the amount payable in three months. On 1st May

V.Brick being in need of money discounts the bill with his bankers at 10% p.a.discount. The bill is dully met at maturity.

Show the relevant entries in the ledger of V. Brick.

6. The owner of a mine leased out his mine to ABC Ltd who arc supposed to pay a rent of shs. 1,000 per ton of minerals mined.

The following are the tons mined by A13Cltd for the respective years:

1994----- 20,000 tons

1995----- 40.000 tons

1996----- 60,000 tons

NB :Minimum rent is shs.45 000,000.

Required: Show the relevant accounts needed for the above transaction.

Auditing 941

ASSESSMENT:

For purpose of assessing and your progress, please answer the following questions as best as you can.

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subjected to snap questions as you hand in. This is meant to confirm whether the completed work is original to you.

EXERCISE

1. Define auditing and explain the functions of an audit

2. Distinguish the following

(I) Auditing and accountancy

(ii) Auditing and investigation

3. (a) What is an auditor?

(b) Explain the qualities of an auditor

4. What are the professional ethics of an auditor?

5. Explain the various types of audits in existence clearly giving the advantages and disadvantages

6. State and explain how an auditor of a company is appointed.

7. Who can be appointed an auditor of a company? Give circumstances under which an auditor can't be appointed to audit books of a company.

8. How is an auditor of a company remunerated?
9. What are the duties and rights of an auditor?
10. What do you understand by the term internal control systems?
11. Explain the characteristics of a sound internal control system.
12. What are the advantages and disadvantages of a strong internal control system?
13. (a) What do you understand by internal auditing?
(b) Explain the areas that fall under internal auditing.
14. Distinguish an internal auditor from an external auditor.
15. What are the specific ways in which the internal audit department can assist the External auditor?
16. What are the functions of the internal auditing department?
17. Distinguish between Internal Auditing and External auditing functions. What are the similarities between the two.
18. (a) What is audit planning?
(b) Explain the procedure of audit planning.
19. Explain the advantages and disadvantages of working papers.
20. How can an audit be controlled?
21. What are the factors an auditor should consider before commencement of an audit?
22. (a) What is a letter of engagement?
(b) Explain the advantages and disadvantages of a letter of engagement.
23. (a) What is an audit programme?
(b) Explain the advantages of an audit programme.
24. Explain Internal Control Questionnaires.

