MAASAI MARA UNIVERSITY

REGULAR UNIVERSITY EXAMINATIONS
2018/2019 ACADEMIC YEAR
FIRST YEAR SECOND SEMESTER

SCHOOL OF ARTS AND SOCIAL SCIENCES
DIPLOMA IN SOCIAL WORK

COURSE CODE: DAS 103

COURSE TITLE: QUANTITATIVE SKILLS II

DATE: 21ST AUGUST, 2019   TIME: 0830 – 1030 HRS

INSTRUCTIONS TO CANDIDATES
1. Answer Question **ONE** and any other **THREE** questions
2. Do not forget to write your Registration Number

QUESTION ONE.

a) The following transaction took place in business of Cathy and Sons in the month of July 2004.

   I. July 1st – started a business with capital in cash of sh 200,000

   II. July 2nd – opened a bank account and deposited sh 30,000

   III. July 3rd – bought buildings in cash of sh 60,000

   IV. July 4th – borrowed a loan of sh 40,000 which was issued in cash

   V. July 5^{th-} bought stationery by cheque of sh 6,000

   VI. July 6th- repaid part of the loan by cheque of sh 20,000

   VII. July 7th- bought furniture worth sh 60,000. Paid sh 40,000 and the rest was given on credit.

   VIII. July 8th – bought motor vehicle car from super motors of sh 150,000, paid 50,000 in cash and the rest to be paid later.

Follow the rules and format of ledger account and enter the above transactions of Cathy and Sons business in their respective ledger accounts. **(15 Marks)**

b) Explain five purposes of ledger accounts in an organization. **(10Marks)**

QUESTION TWO

a) Kakai wants to save his sh 200,000 in a bank for a period of 3 years but he is indifferent on either to use simple interest rate or compound interest rate. I f the bank offers interest rate of 15% P.A,

   I. What will be Kakai interest after the period of 3 years if he decide to take simple interest terms? **(3Marks)**

   II. If Kakai decides to take compound interest, what will be his interest at the end of the 3 years?. **(4Marks)**

   III. Which term will you advice Kakai to choose and why? **(2Marks)**

b) Frida deposited sh 120,000 in a bank that pays a compound interest of 10%. She intends to withdraw the amount after 2 years.

   I. Calculate her total amount after 2 years if it's compounded semi-annually. **(3Marks)**

   II. Her total amount if its compounded quarterly. **(3Marks)**

QUESTION THREE.

   I. Discuss five canons of Kenya public expenditure. **(10Marks)**

   II. Explain the meaning of Balance of payment and Balance of Trade and their components. **(5Marks)**

QUESTION FOUR.

   I. There has been recent growth of public expenditure in the past few years as indicated in the Kenya Economic Survey, explain five reasons that has led to growth of public expenditure. **(10Marks)**

   II. Explain five uses of index numbers. **(5 Marks)**

QUESTION FIVE.

   I. Explain five importance of a budget in any economy. **(10Marks)**

   II. Discuss challenges facing implementation of budget in Kenya. **(5Marks)**

END