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**KIRIRI WOMEN'S UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**UNIVERSITY EXAMINATION, 2024/2025 ACADEMIC YEAR**  
**SECOND YEAR, SECOND SEMESTER EXAMINATION**  
**FOR THE DIPLOMA IN BUSINESS & INFORMATION TECHNOLOGY**  
**DBT 1102 ACCOUNTING SOFTWARE**

Date: 14<sup>TH</sup> AUGUST 2024  
Time: 11:30AM – 1:30PM

**INSTRUCTIONS TO CANDIDATES**

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

**QUESTION ONE (30 MARKS)**

Jon and Alice are starting small by offering simple home services like landscape maintenance, snow removal and other home services. They hope to grow their business in the first couple of months, so they can hire employees, buy equipment, and expand their services. Eventually they want to offer landscape design, maintenance, and construction services to both residential and business customers. Jon and Alice have made their first wise business decision—they've decided to hire you as their bookkeeper. You'll be required to setup their books in QuickBooks Online, enter their day-to-day transactions and maintain their books. You'll be required to perform important monthly tasks like: • Create reports for the owners • Reconcile accounts You'll also track and file sales taxes for Green Tree Landscapes. This means setting up QuickBooks to track sales tax and filing the company's annual sales tax. Jon and Alice have hired a year-end accountant named, Jane Wong. Her firm will create the corporate income tax return and financial statements for Green Tree Landscapes. You'll be required to provide information to Jane and her team to help them complete the year-end process. It's your first day on the job. Green Tree Landscapes is up and running. Tom and Alice have asked you to setup the books so they can get off to a good start. They've met with Jane, their accountant, and they've got all the information you need to setup QuickBooks. Jon and Alice have each agreed to deposit money into the company bank account to cover the costs of starting the business.

**Questions**

- a) Setup a new company called Green Tree Landscapes. The company contact information is the following: a. Green Tree Landscapes b. 5100 Spectrum Way Mississauga d. L4W 5S2 (5 Marks)
- b) Alice really likes the new company logo she created and has asked that you add it to QuickBooks forms. Add the company logo to QuickBooks. (4 Marks)
- c) Jane has registered the business and has provided you the Business Number. Enter the following business number in QuickBooks: 111111119 RT001 (5 Marks)
- d) Jane has asked you to set a closing date for the company to make sure that no one makes entries in the prior accounting period. Set the closing date as Dec. 31st of the last calendar year. (3 Marks)
- e) Create a list of 10 customers in Excel and Import them into QuickBooks. (4 Marks)
- f) Green Tree Landscapes has decided to start tracking sales tax immediately. Setup sales tax for the company. (5 Marks)
- g) Jane has asked you to set up Alice as an Administrator user in QuickBooks and Jon as a user with limited access rights to customers and accounts receivable transactions. (4 Marks)

## **QUESTION TWO (20 MARKS)**

Kenya Open University uses QuickBooks to manage its finances across various departments. They need to generate a consolidated balance sheet and profit & loss account for the 2022-2023 academic year to present to the board of trustees.

### **Questions**

- a) Use QuickBooks to generate a detailed balance sheet reflecting all assets, liabilities, and equity. (5 Marks)
- b) Create a profit & loss statement that categorizes revenues and expenses by department (e.g., faculties, administrative units). (6 Marks)
- c) Generate a Trial Balance and lists all general ledger account balances to ensure debits equal credits before finalizing financial statements. (4 Marks)
- d) Create two general ledgers to provides a detailed record of all financial transactions categorized by accounts. (5 Marks)

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

Afya Njema Hospital Group uses QuickBooks for financial reporting. Generate the following reports for Hospital A for the month of December:

### **Questions**

- a) Create a balance sheet reflecting assets (medical equipment, property), liabilities (hospital loans, payables), and equity. (4 Marks)
- b) Prepare a profit and loss account detailing revenues (patient fees, insurance reimbursements) and expenses (staff salaries, medical supplies). (6 Marks)
- c) Generate a payroll report showing employee salaries, benefits, and deductions. (5 Marks)
- d) Analyze the financial performance of Hospital A based on the reports generated. (5 Marks)

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

Sunshine Hotel Group uses QuickBooks for financial analysis. Generate the following reports for Hotel B for the second quarter.

### **Questions**

- a) Generate a balance sheet detailing assets (rooms, furniture), liabilities (mortgages, payables), and equity. (5 Marks)
- b) Prepare a profit and loss account showing revenues (room bookings, restaurant sales) and expenses (staff wages, utilities). (4 Marks)
- c) Create a custom report analyzing occupancy rates and RevPAR to evaluate hotel performance. (5 Marks)
- d) Provide recommendations to optimize revenue and occupancy based on the financial data. (6 Marks)

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

ABC Bank uses QuickBooks for financial reporting. Generate the following reports for the loans department for the quarter ending March 31st:

### **Questions;**

- a) Create a ledger report for loan accounts, detailing transactions, balances, and interest calculations. (5 Marks)
- b) Prepare a sales tax report summarizing taxable transactions and liabilities (if applicable). (4 Marks)
- c) Generate a custom report analyzing loan disbursements, repayments, and delinquencies. (6 Marks)
- d) Discuss the importance of accurate financial reporting in banking operations and compliance requirements. (4 Marks)