

O1/ Supp.
Copy 1

NORMAN MANLEY LAW SCHOOL LIBRARY
COUNCIL OF LEGAL EDUCATION
MONA, KINGSTON. 7. JAMAICA

NOT TO BE TAKEN AWAY

NORMAN MANLEY LAW SCHOOL
COUNCIL OF LEGAL EDUCATION

LEGAL EDUCATION CERTIFICATE
SECOND YEAR EXAMINATIONS, 1988
OFFICE MANAGEMENT AND ACCOUNTING
(Tuesday, August 12, 1988)

Instructions to Students

- (a) Time: 3½ hours
- (b) Attempt FIVE questions but not less than TWO from any PART.
- (c) Specially ruled paper will not be required for Accounting
- (d) Use separate answer books for Accounting and for Office Management. DO NOT WRITE ON BOTH SIDES OF THE ANSWER BOOK IN OFFICE MANAGEMENT.
- (e) It is unnecessary to transcribe the questions you attempt.

PART B

ACCOUNTING

QUESTION 5

(a) From the following details prepare the Accounts Payable Control and the Accounts Receivable Control Accounts as they would appear in the General Ledger of Rex Major Limited:

Jan. 1, 1981	Purchases Ledger Balances	59,820
	Sales Ledger Balances	98,720
Totals for year ended December 31, 1981:		
	Purchases Journal	772,810
	Sales Journal	998,310
	Returns Outwards Journal	13,240
	Returns Inward Journal	22,780
	Cheques paid to Suppliers	730,500
	Petty Cash paid to Suppliers	390
	Cheques and Cash Received from Customers	929,800
	Discount Allowed	2,910
	Discount Received	1,067
	Bad Debts written off	1,980
	Customers Cheques Dishonoured	150
	Balances on the Sales Ledger set off against credit balances in the Purchases Ledger	5,180

(b) Name six control accounts met with in practice.

QUESTION 7

The Bank Reconciliation made by Success & Company on October 31, 1985 showed a Deposit in Transit of \$460, two outstanding cheques No. 707 for \$125 and No. 803 for \$255. The adjusted balance per book on October 31, 1985 was \$8,250.

November 30, 1985
National Conversion Bank

To: Success & Company
Timbuctoo

<u>DATE</u>	<u>CHARGES</u>		<u>DEPOSIT</u>	<u>BALANCE</u>
November 1	Balance		-	8,170
November 1			460	8,630
November 2	255		640	9,015
November 5	425	330	620	8,880
November 8	210		270	8,940
November 13	190		410	9,160
November 17	355		150	8,955
November 19	235	250 (NSF)	-	8,470
November 25	326		390	8,534
November 30	10	(SC)	280	8,804

A list of the deposits made and cheques written during November taken from the Cash Receipts and Payments Journals, follows:

<u>DATE</u>	<u>DEPOSIT</u>	<u>CHEQUE NO.</u>	<u>CHEQUE VALUE</u>
1985	\$		\$
Nov. 1	640	807	425
Nov. 4	620	808	330
Nov. 7	270	809	210
Nov. 12	410	810	190
Nov. 16	150	811	376
Nov. 24	390	812	235
Nov. 29	280	813	90
Nov. 30	330	814	355
	3,090	815	362
		816	178
			<u>\$2,751</u>

The cash in bank account balance on November 30, 1985 was \$8,589. In reviewing the cheques returned from the bank, the book-keeper discovered that cheque No. 811 written for \$326 was recorded in the cash payments journal as \$376. The cheque was for delivery expense. The NSF cheque for \$250 was that of a customer R. Brown lodged in November.

Required:

- (a) Prepare the Bank Reconciliation Statement of the Success & Company at November 30, 1985.
- (b) What figure will appear as Cash at Bank in Success & Company Balance Sheet?

QUESTION 8

PLEASURE has a fleet of lorries which costs \$186,600. At December 31, 1981, the provision for Depreciation stood at \$92,600. The rate of Depreciation is 33 1/3% on the Reducing Balance method and the accounts are balanced at half-yearly intervals.

On March 31, 1982, Lorry #5 which had cost \$12,000 on July 1, 1979 was sold for \$7,200. On October 31, 1982, Lorry #7 was purchased for \$21,600.

Required:

Prepare the Lorries Account, the Depreciation Provision Account and the Disposal of Lorry Account for 1982.

PART A

OFFICE MANAGEMENT

QUESTION 1

Would it make a difference whether an attorney-at-law regards himself as selling his time or selling himself in promoting his business?

QUESTION 2

"A partnership of even two attorneys-at-law must necessarily have all the advantages over the practice of a sole practitioner despite his professional competence and the efficient management of his office."

Discuss.

QUESTION 3

"The role of the secretary as being there to assist the attorney-at-law in maximizing his billable hours adequately summarizes the functions of the legal secretary."

Discuss.

QUESTION 4

What are some of the essential matters to be considered in designing a system of operation in a law firm? Explain the importance of each matter.
