

COUNCIL OF LEGAL EDUCATION



EXAMINATION FOR ADMISSION TO THE ROLL OF ADVOCATES

ATP 106: LEGAL PRACTICE MANAGEMENT

FRIDAY 18TH JUNE 2021

DURATION: 3 HOURS

Instructions to Candidates

- (a) This paper contains Six (6) printed pages including the cover page, with a total of Seven questions.
- (b) Candidates MUST answer FIVE (5) questions.
- (c) Question ONE is compulsory and carries 20 marks.
- (d) All other questions carry 10 marks each.
- (e) Candidates MUST answer ONE question from each of the Sections and a FIFTH question from any Section.

PLEASE TURN OVER

QUESTION ONE

- a) After preparation of the Trial Balance of KCP Ltd as at September 2019, the firm's lawyer has been provided with the following additional information for the purpose of preparation of final accounts.
- i. Due to an oversight a discount has been allowed to a credit customer on the gross invoiced amount of Kshs. 80,000 at the rate of 10%. The firm should have used a rate of 6%.
 - ii. Electricity accrued amounts to Kshs. 36,710 while insurance premiums of Kshs. 22,350 have been prepaid.
 - iii. In October 2019, the employees of the firm received a general salary increase backdated to 1 July 2019. Amounts totalling Kshs. 126,550 in salary arrears are payable to former employees who left shortly before the salary increment was announced and who have not yet been traced. It has been decided that the salary packets will be opened and cash banked until the ex-employees are traced.
 - iv. Wages due to casuals amounting to Kshs. 464,120 for services rendered in the last week of December 2019 were paid in January 2020 together with the salaries for the month of December 2019 which amounted to Kshs. 301,700.
 - v. During the year, the exterior of the warehouse was repaired and repainted at a cost of Kshs. 500,000. This amount was erroneously debited to office premises account. It is the policy of KCP Ltd to provide for depreciation on the closing balance of non-current assets and this has already been done. The annual rate of depreciation on office premises is 2% calculated on the straight-line basis.
 - vi. In December 2019, KCP Ltd had bought goods on credit from Latex Ltd for Kshs. 452,000 and has also sold goods on credit to the same company for Kshs. 163,040. These amounts were correctly posted to their respective accounts. However, these accounts are to be offset by 31 December 2019 and the remaining balance settled by cheque in January 2020.
 - vii. The provision for discounts allowed to debtors, which at present has a balance of Kshs. 229,530 needs to be reduced to Kshs. 157,400.
 - viii. Debts totalling Kshs. 64,800 are irrecoverable and should be written off. However, Kshs. 21,440 which was written off as a bad debt in the previous year has now been recovered in full but the cheque in settlement has not been banked or posted in the accounts.

Required

Prepare Journal entries including narrations necessary to record the above transactions in the book of KCP Ltd. (10 marks)

- b) Arthur & Artur advocates firm ran out of printing paper one Monday morning, at a time when the law firm had a cash flow problem. The partners had also complained that the cartridge for the printers was also finished and the print outs made the firm appear unprofessional to their clients. The accountant has regularly advised the purchasing manager to observe the re-order levels of office supplies so that they can be stocked on time.

Explain the importance of having a good inventory management to a law firm (5 marks)

- c) The employment contract is not only an economic transaction, it also has social and moral connotations. Discuss five (5) arguments in support of this view and the implications for human resource management (5 marks)

SECTION A - COMMERCIAL ACCOUNTS

QUESTION TWO

The following trial balance belong to OLF Ltd as at 31 December 2019

	Kshs. '000	Kshs. '000
Share capital (10,000 @ 20/- ordinary share)		200
Purchase and sales	1,220	2,000
Debtors and Creditors	400	140
PEL 1 January 2019		380
Sales Return	40	
Building at cost	800	
Plant at cost	1,000	
Provision for depreciation		
Building		40
Plant		400
Purchase returns		80
Selling expenses	140	
Bank		160
10% debentures		600
Stock 1 January 2019	300	
Provision for bad debts		20
Operating expenses	180	
Administrative expenses	140	
Suspense Account		200
	4220	4220

Additional information

1. Stock at 31 December 2019 was Kshs. 360,000.
2. Sales return of Kshs. 20,000 have been entered into the sales day book as if they were sales. When this error was discovered, the debtors accounts were corrected but the sales figure was not rectified.
3. 5000 new shares were issued during the year at Kshs. 32 per share. The proceeds have been credited to the suspense account.
4. A fully depreciated plant which cost Kshs. 200,000 was sold during the year. No other entries except bank have been made. The remaining balance on the suspense accounts after (2 & 3) above represents the sale proceeds.
5. A debtor of Kshs. 20,000 has been declared bankrupt. A general provision is required at 5% of debtors.
6. Rates of Kshs. 30,000 paid in December covering half year to 31 March 2020 have not been entered in the books.
7. Debenture interest has not been paid.
8. Depreciation on plant is at 10% on cost and building at 2% on cost.
9. The directors propose to pay a dividend of Kshs. 2 per share and transfer Kshs. 20,000 to the general reserve.
10. Corporation tax at a rate of 32.5% on profits estimated to be Kshs. 90,000.

Required

Prepare;

- | | |
|--|-----------|
| i. Income statements for the year ending 31 December 2019 | (5 marks) |
| ii. Statement of Financial Position for the year ending 31 December 2019 | (3 marks) |
| iii. Suspense Account for year ending 31 December 2019 | (2 marks) |

QUESTION THREE

The following information relates to Spring Ltd for the period 2018 - 2019:

	30 th September 2018 Shs' 000	30 th September 2019 Shs' 000	
Fixed assets			
Building at cost	11,040	13,800	
Acc depreciation	(2,070)	8,970	(2,415)
Plant & Equipment at cost	13,80	23,460	11,385
Acc depreciation	(62,100)	7,590	(8,625)
Motor Vehicle at cost	4,600	5,518	14,835
Acc depreciation	<u>(2,070)</u>	<u>2,530</u>	<u>(2,932)</u>
	<u>19,090</u>	<u>28,806</u>	
Current Assets			
Stock in trade	4,140	5,175	
Debtors	2,070	2,519	
Cash in hand & bank	85		
	<u>7,060</u>	<u>7,695</u>	
Current Liabilities			
Creditors	1380	2070	
Taxation	1725	2070	
Dividends	1035	1035	
Bank drafts	4140	2920	345
	<u>4140</u>	<u>22010</u>	2174
			5520
			30980
Financed by			
Ordinary share capital	15800	22700	
Share premium	1380	2760	
Retained profits	3450	5520	
10% debentures	1380		
	<u>22010</u>	<u>30980</u>	
The following is an extract from the Profit and Loss Appropriation Account for the year ended 30th September 2019.			
Profit before taxation	6210		
Taxation for the year	<u>(2451)</u>		
	3795		
Dividends for the year			
Interim - paid	690		
Final - Proposed	<u>1035</u>	<u>1725</u>	
			<u>2070</u>

Additional Information

- i. An item of plant was disposed of during the year ended 30 September 2019 for Kshs. 1,035,000. It had cost Kshs. 2,070,000 and had an accumulated depreciation of Kshs. 690,000.
- ii. The 10% debentures were redeemed at a premium of 10% during the year ended 30 September 2019.

Required

Prepare the Cash Flow Statement for the year ended 30 September 2019 in conformity with the requirements of International Accounting Standards 7. (10 marks)

SECTION B - HUMAN RESOURCE MANAGEMENT

QUESTION FOUR

To get the best out of an employee, every manager in a law firm must incorporate an extra fringe benefit supplementing an employee's salary and adherence to statutory benefits.

- a) Discuss five factors that can influence a modern law firm while designing and establishing an employee benefits programme. (5 marks)
- b) Discuss five rights of an employee granted by the Employment Act, 2007. (5 marks)

QUESTION FIVE

A modern law firm is experiencing a myriad of challenges, ranging from more demanding but less committed employees, skyrocketing labour cost due to lack of proper planning of the human resource requirements. As a student of human resource management, you are required to develop a human resource planning framework that will cater for skyrocketing labour costs.

- a) Illustrate the steps you will include in the human resource planning process to ensure the law firm has the right number of employees with the right skills. (5 marks)
- b) Explain how a human resource plan can be used to minimize redundancies in the law firm. (5 marks)

SECTION C - OFFICE PRACTICE

QUESTION SIX

Joachim has worked for the judiciary for five years. During this period, he was instrumental in the drafting of the ICT policy which would guide the automation process of the judiciary. However, three years later, the judiciary's systems of operations are largely manual. There is no internet connectivity within the judiciary's premises. He knows that the members of staff have many concerns about the impact of ICT on the judiciary's operations. For example, he once had a conversation with one employee whose main concern was how to dispose of electronic records should the need arise.

He has been requested by the board to make a presentation to all staff regarding these issues and has sought your help on what to include in the presentation.

- a) Highlight to Joachim the impact that ICT has had on the legal profession to date. (6 marks)
- b) Explain the various ways of disposing of electronic records. (4 marks)

QUESTION SEVEN

Ongiri, the managing partner of Ongiri & Postage advocates called for an urgent partners' meeting one Monday morning. It had come to his knowledge that a front office member of staff left the firm because she could no longer tolerate the sexual advances she was getting from some members of staff. The firm, though small, employs 33 employees a majority of whom are lawyers and its operations are guided by several policies that underpin its application of technology, engagement with internal and external stakeholders as well as quality assurance to its clients.

During the meeting, Ongiri shared his concern of the high labour turnover of the front office personnel and also urged the partners to consider developing a sexual harassment policy to guide the behaviour of the firm's employees. Postage, one of the firm's partners, however argued that they should be discussing core matters of the firm instead of wasting time with non-core functions. The partners however agreed that the firm needs to draft the policy as soon as possible but were still not convinced on the importance of front office functions in a law firm.

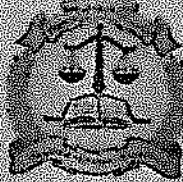
- a) Explain to the firm's partners five provisions of a good sexual harassment policy. (5marks)
- b) Advise the firm's partners on the importance of having a front office function. (5 marks)

BEST PERFORMED



Officer	MR.DR.S
Checker
Data Entry
1 st Verification

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**COUNCIL OF LEGAL EDUCATION
EXAMINATION FOR ADMISSION TO THE ROLL OF ADVOCATES**

UNIT CODE: **A T P I O 6** SUBJECT/UNIT ...LEGAL PRACTICE...MANAGEMENT

REGISTRATION NUMBER: _____

DATE: 12 JUN 2021

INSTRUCTIONS TO CANDIDATES

1. Enter the Unit code, Subject of the Examination, Admission Number and Date in the spaces provided. The admission number should be as it appears on the Examination Card.
2. Do not write your name anywhere in this booklet.
3. Attempt each question on a fresh page of the booklet.
4. If an additional booklet is used, it MUST be fastened at the END of this booklet.
5. Insert in the column headed 'Question Number' the numbers of questions answered in the order in which you have attempted them.
6. Kindly ensure your handwriting is LEGIBLE.

Question Number	Examiner		Moderator		Quality Assurer	
	Mark	Initials	Mark	Initials	Mark	Initials
1	7	L	7	JK	7	JK
2	7	JK	7	JK	7	JK
3	7	JK	7	JK	7	JK
4	7	JK	7	JK	7	JK
5	6	JK	7	JK	7	JK
6	7	JK	7	JK	7	JK
TOTAL MARKS	32		215	LN		

QUESTION SIX. (a)

Impact of ICT on the legal Profession.

1. ICT has had a huge impact in various industries and professions today - including the legal profession.

The first impact is that it has led to emergence of virtual law practice or virtual law firms. These are law firms that exist only online and they deliver their legal services virtually with little to no physical contact between the advocates/lawyers and clients. Payments, correspondence, meetings, e-litigation and consultancy is done virtually and sometimes even across borders.

2. It has led to a shift to e-litigation whereby cases are heard online on online platforms.

3. E-services - ICT has led to a shift towards offering government services via online remotely accessible platforms such as e-Governance. This has increased accessibility for example in land matters, land registry services, Business Registration services at the Capital Markets Authority etc. The public can easily access them sometimes without the need of a lawyer. This has led to a major shift in tactics since lawyers still need to remain relevant in spite of the e-services.

4. It has revolutionised research since most materials can be found online as in soft copies as opposed to hard copies.

5. It has had an impact on ethics and confidentiality of confidentiality. Advocates have to rethink and reshape their practice since ICT, with its remoteness and versatility is prone to unforseen breaches of confidentiality which would expose an advocate to disciplinary action.

6. It has revolutionised advertising by consumers - consumers can now advertise their services online and through websites, on social media and others. These sites are accessible by most people and can reach a vast audience.
7. It has revolutionised legal practice by bringing more practice areas particularly in mediation, intellectual property - particularly databases, on-line data, Issues of Data Protection and many others.
8. Emerging jurisprudence on ICI and the Legal Profession - both locally and internationally.
9. Social media has also had an impact on the legal profession particularly questions to do with ethics, confidentiality, advertising and conflicts of interest arising from social media presence.

QUESTION

6 (b)

Ways of disposing electronic records

1. By deleting - Electronic records can be disposed off by using the delete function on the device in which they are stored. For such as a computer, once deleted they go to the Recycle bin which should also be emptied regularly to dispose them.

The delete function is an intuit mechanism in most electronic devices.

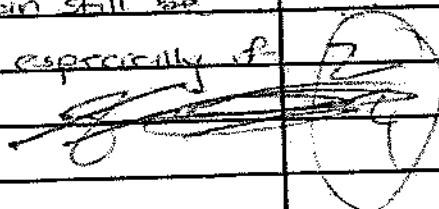
2. Overwriting - Overwriting refers to the disposal of an electronic record or file by writing over it with other code on top of the file electronic file so that the file becomes unreadable. It is more secure than

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Questions

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either margin

deleting because a deleted file can still be retrieved in one way or another especially if one is tech savvy.



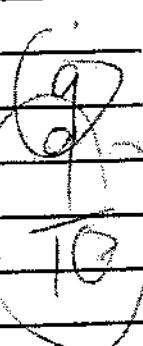
3. By destroying the device.

Electronic records are stored in devices such as flash drives, CD Compact Disks, Random Access Memory of a Computer and many more devices. One can completely destroy the device containing the records. This way the records will be completely phased out or inaccessible. However one has to be careful enough to ~~not~~ destroy the ~~electronic~~ electronic chip or hard disk that contains the files. For instance if you crush a flash drive without destroying the microchip it can still be mounted on another device and the files transferred. Also one has to be sure that the records on the device are the only ones in existence, that there are no copies elsewhere, otherwise it will be a futile exercise.



4. Using Record Management and Disposal Application

There are mobile and Applications that can be accessed online and are premium based. They are hosted by Internet Service Providers and who manage electronic records for the organization and carry out functions such as filing, indexing, retrieval and disposal according to a pre-set programme dictated by the organization e.g. Annually after five years and so on. The organization will store the records on the Application and the host will destroy them on instruction. ^{etc}



QUESTION SEVEN (a)

Provisions of a good Sexual Harassment Policy.

1. A sexual harassment Policy should state that every employee has a right to employment free from sexual harassment. This is according to section 6 of the Employment Act, 2007.
2. It should provide for regular trainings for the employers, both managerial or staff senior executives as well as those in operational functions. This helps to apprise and update the staff about developments in law and societal responses to sexual harassment issues so that they may know what is expected of them.
3. It should provide for an avenue for employees to make their complaints regarding sexual harassment by fellow employees or employer. It should have ^{provision for} ~~procedures~~ regarding whom or which department is responsible for receiving sexual harassment complaints and the mode of making the complaint, whether in writing, whether there are prescribed forms etc.
4. It should provide elaborate procedures on how complaints, once received, are to be handled. This may include investigations, consist of hearings, whether one can take legal representations, who presides over the hearings and whether there is a mechanism for review or appeal of the decision.

It should also state the sanctions imposed for it.

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Questions F

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either margin

offender such as apology and disiplinary action.

5. It should provide mechanisms for dispute resolution, victim protection and recovery. These include dialogue, mediation, conciliation, counselling and many others.

QUESTION F(b)

1. The front office function is important as it helps display the image of the organisation to visitors and first time walk-in clients and if impressed by the services, they are likely to retain the firm or organisation.

The front office function also promotes safety and security by controlling the number of persons coming in and going out of the organisation.

It ensures smooth communication and since the front office is responsible for receiving and sending out letters, deliveries and other correspondences.

The front office function enables an organisation to efficiently perform their work since it relieves top managers of the responsibility of receiving and handling clients for instance they set up appointments and control the time allocation and clients of top managers.

The front office function assists in records management and by receiving and storing records. They also assist in implementing the policies.

QUESTION 4 (a)

QUESTION 5 (a)

Step 1: Analyse the objectives of the firm. This involves assessing the long term and short term goals set by the firm, future projections in production and other functions.

Step 2: Take an inventory of the current human resource and assess whether it is sufficient to meet the organisation's objectives. If \checkmark

Step 3: Forecast the Demand for human resources. Based on the objectives and current inventory, assess how much more is needed. Whether you need to hire new staff to add to the current staff and if/then you need to hire, leave or outsource.

Step 4: Forecast the supply. Based on the organisation's demands in the previous steps, assess whether the market or supply of human resource is sufficient to meet the organisation's needs and objectives. For instance if you need an ICT expert, are there qualified persons? If you need a machine operator is there one in Tokyo or do you have to look for a Chinese one, Do you need to hire permanent staff.

Step 5 - Identify the gaps between the demand and supply forecasts and come up with a table or representation of the areas of incongruence between the two.

Step 6: Based on all the information gathered in the previous steps, of what the gaps and points noted are should by now have an outline of the Human Resource Plan.

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Questions 5

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Step 7 - Plan Discuss with top management and other departments such as procurement so as to get them on board with the Human Resource Plan.

Step 8 - Implementation of the plan

Step 9 - Regular monitoring and review

QUESTION 5 (b)

Minimising Redundancies

A human resource plan helps attract and retain proper and well equipped human resource. Every Person is strategically selected for a particular function and objective so there is no risk of redundancy.

(4)

4

A good human resource plan helps the organisation obtain optimum utilisation of the current human resource. Through regular reviewing and job designing, the employer can identify the task areas and plan ahead in order to avoid redundancy.

A good plan also helps forecast future needs and the employer can assess the current human resource so as to plan for the future.

A good plan also ^{helps} anticipate the impact of market dynamics and Information Communication Technology on the human resource. Positions that are at risk of being phased out by ICT can be adequately redesigned to retain relevant

A good plan to cater for regular training and development of employees which increases their usefulness to the organisation since market demand

eligible for promotions.

A good plan also forecasts and balances the need to hire new recruits vs. ^{newcomers} vs. the need to promote or retain employees. Therefore, the organization benefits from new talent in the market and at the same time keeps the competitive spirit of the employees high.

A good plan helps in easier legal audit compliance reviews since it can be checked to see whether the legal requirements have been met and the gaps and risk areas.

It also minimizes the risk of litigation over malpractice as it equips ~~for~~ mitigation solved out of court.

~~SPRING LITA
CASH FLOW STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER
2019~~

Cash flows from operating activities

~~Net Profit before taxation.~~

Depreciation

6210

QUESTION (b)

Importance of having good inventory Management:

It ensures that there is adequate stock whenever needed to meet the firm's needs depending on supply and demand.

It helps the firm in planning and budgeting for instance one can assess the cost of stocking large supplies via over the cost of frequent deliveries and therefore choose the cheaper and more efficient option

It minimises delays and inconvenience caused by insufficient space. For instance, flights often may be fail to be filled within the required time because of inadequate printing material.

It enhances accountability. When a department or a particular person is responsible for keeping inventory they are answerable in case of any irregularities.

It helps the firm avoid losses that may come as a result of market price fluctuations which may be beyond the firm's control. For instance if materials price goes up or supply goes down due

to Control 10), a firm with sufficient goods will still thrive regardless.

It ensures there is smooth flow of work and there are adequate resources.

It helps retain clients since it adds to efficiency and timely delivery of services.

It ensures that the goods or inventory in the firm is utilised in a cost effective manner and there is minimum wastage since the firm keeps track of how the materials are being spent.

Proper inventory management helps in preparation of cash flow projections and budgets for future periods.

It helps the firm identify alternative sources instead of outdated goods or equipment.

QUESTION One b (d)

The employment contract has social and moral connotations because it is involved with human resource which is basically human beings. An employee, besides being a human being with rights, freedoms and with free will. This means that the contract goes beyond what is on paper to cater to the day-to-day lives of the employees. For instance, the aspect of training and development goes beyond imparting skills to promoting better and betterment of the employee as a person.

The employment contract is also influenced by the person's moral, religious and social belongings, beliefs and inclinations. For instance,

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Questions 1

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either margin

an p. adventist will not work on Saturdays - and a Muslim woman might be afraid to go out or will not put on tight clothing even if the job demands it and the employer has to inspect this.

Employment contracts are influenced by societal stereotypes and beliefs. For instance private firms fail to employ female employees since they are more untrustworthy, will not get pregnant and give on maternal leave, and the societal belief that women are weaker than men. In a patriarchally dominated society the human resource will consist of male gender mostly.

The employment contract has a moral connotation in the fact that if the human resource has to be deliberately discriminated against because what the society considers immoral. It is influenced by societal belief views on morality beyond the legal requirements.

The impact of morality in human resources planning can be seen in the fact that job designs are influenced by the employees cultural expectation and inclinations as well as their behavioural traits, which are shaped by their morality. This has to be considered in job design so as to maximize flexibility.

The recruitment and selection process also factors in a person's moral and social features. For instance aptitude tests and polygraph tests reveal aspects of a person's innate beliefs and worldviews perspective which needs to be aligned with that of the recruiter. Interviewers are also prone to bias resulting from their social orientations.

From the foregoing, it is clear that the employment contract goes beyond what is contained in the transaction itself.

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Questions ONE (a)

KCP LTD - JOURNAL

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DATE Particulars Dr Cr

Discount allowed to a customer.

KCP LTD JOURNAL

DATE PARTICULARS Debit Credit

1. Discount allowed 10% Cash Discount allowed Debtor

Bought from bank 6%

(3) Electricity Account Current Assets BSF 36710.1

Insurance Premium Prepaid Asset 22300 Insurance Cash

2 October Salaries Accrued from July 1st 2019 to October 2019 SFB 26300 Salaries Cash

2019.

2 January Badges received from December 2020 30000 Salaries Cash

2020 2020 Paid together with December 2019 salaries

(4) DV 4. Repairs to fixtures. 50000 Repairs Cash

Engineering fully attribut to office premises

5 December Bought goods on credit 452000 Purchases Share Capital

2019 Sold goods on credit 163040 Sales Bank

For 2020 Offset Capital and Pay

1 by Cheque

Reduces discount allowed

71630 Cash Discount allowed

Bank debts written off

61630

Bank debt repaid

Bank Cash Debtor

Bad debts

1630

Decrease in Bad debt

43360 Provision for bad debts

Cash

Write on both sides of the paper

Questions 3

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either margin~~1. Sales return - 20,000~~

$$40 + 20 = 60,000$$

~~Sales - 200 - 20,000 = 19,800~~

~~How shares - Capital > 160,000~~

$$3.2 \times 5000 +$$

C

QUESTION 3

CASH FLOW STATEMENT

SPRING LTD.

CASH FLOW STATEMENT FOR THE PERIOD ENDED 30th
SEPTEMBER 2019.

Cash flows from operating activities:

Net profit before taxation.

mr 3
362 + 345

62101

Depreciation

345000

621

Loss on sale of asset

Provision for bad debts:

Debtors finance) out

(149)

Creditors (in-

690

Stock (increase) out

(105)

less Tax.

(254)

Cash flow from operating activities:

44024

Cash flows from investing activities:

Sale of fixed asset - Plant.

1035

Net cash flow from investing activities

1035

4

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Questions

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Cashflow from financing activities.

Drawings -

Dividends paid.

(1035)

Share Premium.

(2762)

Debt issues - external premium.

(138) (1415)

Debt issues - redeemed

(321)

Ordinary Shares

(5012)

9 Cash at the beginning of the period.

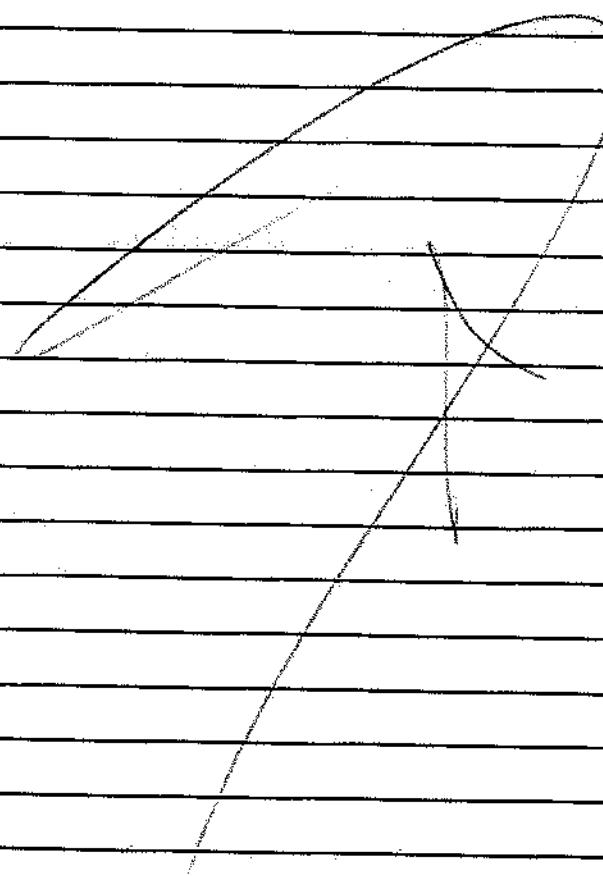
195

Net Cash Flow for the Period

1514

Cash at the end of the Period

1269





WORST PERFORMED



75441

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Checker	N.M.
Data Entry	O.P.
1 st Verification	S.K.



**COUNCIL OF LEGAL EDUCATION
EXAMINATION FOR ADMISSION TO THE ROLL OF ADVOCATES**

UNIT CODE: **A T P I M E** SUBJECT/UNIT ...**LEGAL PRACTICE MANAGEMENT**.....

REGISTRATION NUMBER:

DATE: **16th June 2021**

INSTRUCTIONS TO CANDIDATES

1. Enter the Unit code, Subject of the Examination, Admission Number and Date in the spaces provided. The admission number should be as it appears on the Examination Card.
2. Do not write your name anywhere in this booklet.
3. Attempt each question on a fresh page of the booklet.
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5. Insert in the column headed 'Question Number' the numbers of questions answered in the order in which you have attempted them.
6. Kindly ensure your handwriting is LEGIBLE.

Question Number	Examiner		Moderator		Quality Assurer	
	Mark	Initials	Mark	Initials	Mark	Initials
1	05	K.K.			(X)	
5	1	A.C.			Q.I.	
1	3	K.M.			D.S.	
2	50	K.K.			97	
TOTAL MARKS	92				47	AVAIL

REGISTRATION NUMBER:

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Questions 19

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KCP LTD Journal entry as at January 2020.

Date	Particulars	Folio	Dr. (Debit)	Credit
September 2019	Electricity and Insurance premiums	Accrued amount from September 2019		59,060
1 Oct 2019	Salary	Salary arrears payable to former employees who left	126,550	
Jan 2020	Salaries	Wages due to casual for services rendered December 2019 + Salaries of December 2019		765,830
Jan 2020	Expenses	Repair and painting of warehouse bill the amount has been debited by 2k since it was wrongfully debited to other premises account.	490,000	00
Jan 2020	Purchases and Sales	KCP Ltd bought goods on credit from Latex Ltd and sold goods to Latex Ltd on credit. Amount 104 in December 2019. Amount to be settled Jan 2020.	163,040	452,000
Jan 2020	Discounts	Discounts given to debtors	157,400	
Jan 2020	Debits	Debt that was written off as a bad debt in previous year	43,360	
			980 / 350	1,176,980

The importance of having a good inventory management in a law firm are:

It ensures that purchases of equipments to be used in a law firm are purchased on time.

It ensures that the equipments and materials required in a firm for day to day use are readily available.

It keeps track of start stock slow therefore know on time when materials run out. Why?

It insures that there is better service delivery in a firm since there are equipments and materials that are required for that.

It provides alternative solutions of materials to be used in a firm in terms of prices but still delivering good quality and financial management.

Q3



Write on both sides of the paper

Questions I.c

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The employer contract has social and moral connotations and are directly linked to Human Resource Management and this are: The ability to keep time when arriving at work.

The ability to maintain good relationship with fellow employees.

The ability to report any misconduct or sexual harassments from the other employees.

Q2

ST 20

Steps to include in the human resource planning process to ensure the law firm has the right number of employees with the right skills are:

Creation of departments and appointing a head of department in every department who gives a report and is accountable of the work assigned.

Recruitment of employees before employment. This enables the Human Resource to be able to select employees who have excellent skills.

Head hunting for top managerial positions. This will help in ensuring the Human Resource Management gets a good manager at a certain labour cost than hiring employees to do that task.

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Questions 5b.....

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either margin

Human resource plan can be used to minimize redundancies in the law firm by:

Ensuring there is good service delivery to client hence attract more clients to the law firm.

Employment of ^{surplus} employees hence reduce labour cost while still achieving good quality of work.

Creating a procurement department that deal with book keeping ensuring that the expenses are well monitored to avoid losses.

7/10

ICT has had an impact on the legal profession to date. This impacts are:

1. Eased the application and filing process unlike before where one had to go to the registry.

ICT has made it easy to access data e.g. accessing the Kenya Law Report.

ICT has made it almost impossible for misplacement of files and records unlike before.

ICT has simplified the court process since proceedings can now be held on Zoom application.

2
6

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Questions 6b

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either margin

The various ways of disposing of electronic records
are: By creating files specifically recorded as
"old files" since that data may be needed later.

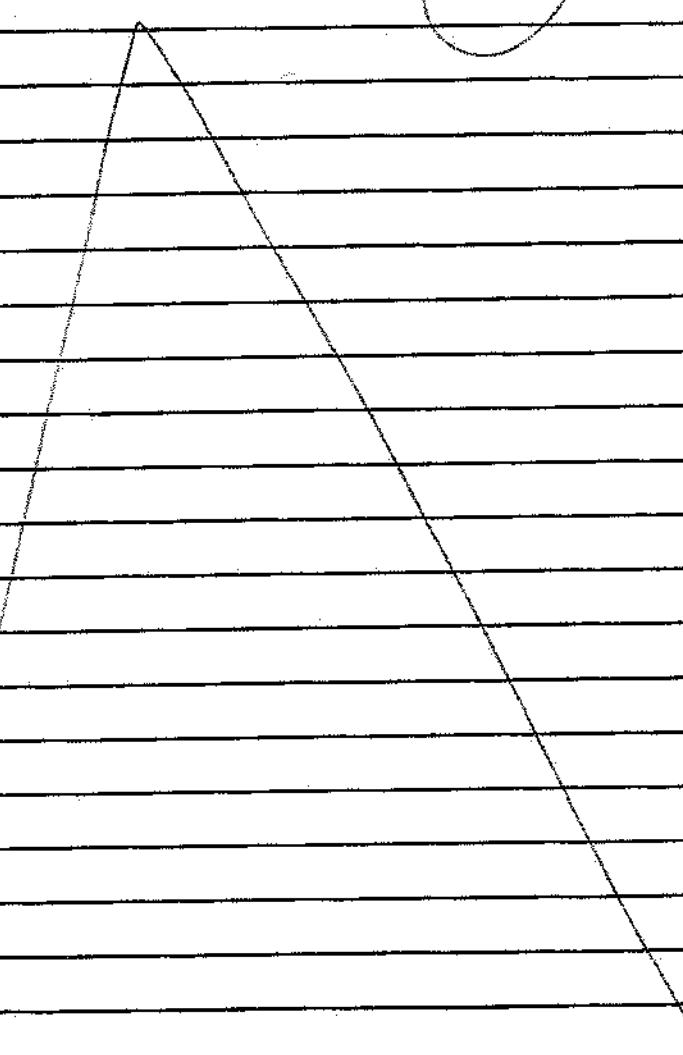
Ensuring the people responsible or concerned with those
electronic records have them.

(1)

(2)

(3)

(4)



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Questions 2.i

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OLF LTD FINANCIAL STATEMENT AS AT 31ST DECEMBER 2013

Share Capital	50,000,000	Purchases
Sales		Creditors
Debtors		Building cost
Profit 1 Jan 2009		Selling expenses
Sales Return		Bank
Plant	180,000	Bad debts
Purchase returns		Operating expenses
Stock	360,000	Administrative expenses
Suspense Account	4,256,000	Debentures
Building at cost	39,100	Debtors considered bankrupt

REGISTRATION NUMBER:

Write on both sides of the paper

Questions 21 X

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either marginOLF LTD FINANCIAL INCOME AS AT 31ST DECEMBER

2019

Share Capital		Selling expenses	140,000
Stock	360,000	Debentures	600,000
Suspense Account	4,256,000	Debtors considered bankrupt	31,000
Building at cost	39,100	Creditors	140,000
Plant	180,000	Administrative expenses	140,000
Profit	350,000	Operating expenses	180,000
Sales		Purchases	
Purchase returns	60,000	Bad debt returns	60,000
	5,155,100		1,301,000

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Questions 2 ... 111

Write on both sides of the paper

Suspense Account \$3,4,256,000

REGISTRATION NUMBER:

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Questions 2, 11.....

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either margin

$$\text{Profit} = 3,954,200$$

$$100\% = 3,954,200$$

$$67.5\% = 3,269,095$$

$$= 3,269,095$$

80