



**PRESIDENT'S OFFICE
REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT
KIGAMBONI MUNICIPAL COUNCIL
FORM TWO MOCK EXAMINATION
BOOK-KEEPING**

062

Time 20:30 Hours

MONDAY 22nd MAY, 2023

Instructions.

1. This paper consists of sections A, B and with a total of nine (9) questions.
2. Answer all questions
3. Section A and B carry (55) marks total and section C carries 45 marks.
4. All writing must be in blue or black ink
5. All answer must be written in space provided.
6. Unauthorised materials are not allowed in the examination room.
7. Write your examination number at the top right corner of every page.

ASSESSOR USE ONLY		
QUESTION NUMBER	SCORE	ASSESSOR'S INITIALS
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
TOTAL		
CHECKER'S INITIALS		

SECTION A (10 MARKS)

1. For each of the items (i)-(x) choose the correct answer from among the given alternative and write its letter in the process provided.
- i. Why carriage inwards is charged in the income statement?
 - A. It is an expense connected with buying goods
 - B. It is an expense connected with borrowing capital
 - C. It is expense connected with sales of goods
 - D. It is an expense connected with purchase of fixed assets.

 - ii. How does the contra entry occur?
 - A. When double entry completed within the cash account
 - B. When double entry is completed within the bank account
 - C. When double entry is completed within the same account
 - D. When double entry is completed within some book.

 - iii. The document used to deposit money in the bank account is known as....
 - A. Bank statement
 - B. Pay-in-slip
 - C. Invoice
 - D. Payment voucher

 - iv. Cash or goods taken out of business for private use are called
 - A. Loan to owner
 - B. Cash to owner
 - C. Drawings by owner
 - D. Property by owner

 - v. Which of the following is correct about capital?
 - A. Profit reduces capital
 - B. Profit does not change capital
 - C. Loss increases capital
 - D. Profit increases capital

 - vi. Which of the following is not an asset to a business?
 - A. Buildings
 - B. Cash
 - C. Creditors
 - D. Debtors

- vii. A balance of an account can be defined as the
 - A. Balance carried down
 - B. Different between two sides of an amount
 - C. Total amount of debit side and credit side
 - D. Balance brought down

- viii. In a total the balance in the wages account is
 - A. Shown as a credit item
 - B. Shown as a debit item
 - C. Shown as a debit and credit item
 - D. Shown as a credit and debit item

- ix. The excess of sales over cost of goods sold is called
 - A. Gross loss
 - B. Gross profit
 - C. Net loss
 - D. Net profit

- x. Properties held in the business for long time are called
 - A. Assets
 - B. Current assets
 - C. Fixed assets
 - D. Fixed capital

2. Choose the correct term from LIST B which matches with the explanations in LIST A write a letter against the number of the corresponding explanation in the table provided.

LIST A	LIST B
i. A term used when money is transferred from cash to bank and vice versa	A. Journal proper
ii. Used to record pages of reference in the books accounts	B. Purchases ledger
iii. An allowance made to customers if they buy goods in bulk.	C. Debit note
iv. The individual record of a person firm, a thing, an item of income or expenses.	D. Contra entry
v. A book of prime entry used to record all goods sold on credit.	E. Cash book
	F. Folio column
	G. Amount column
	H. Trade discount
	I. Cash discount
	J. Account
	K. Ledger
	L. Sales journal
	M. Cash journal
	N. Pretty cash book

ANSWERS

i.	ii.	iii.	iv.	v.

SECTION B (40 Marks)

3. a) The government of Tanzania uses different ways to get revenue for running its activities especially to provide social services. What do you think are the source of government revenues?

.....

- b) Book-Keeping uses concept and principles in recording business transactions. Enumerate any five concepts from different source you studied.

i.
 ii.
 iii.

 iv.

 v.

4. Mwenda pole made the following sales during the month of May 2017.

May 5 Sold on credit to Mshua:
 10 Boxes of biscuits @ 3000
 4 Packets of macaroni @8000
 10 Carton of soap@12000

May 7. Sold on credit to K. Kim:
 2 Crates of soda @19000
 4 Gallons of cooking oil@2000
 2 Pairs of sandals @25000
 1 Bucket of coral point@28600

Record the given transaction in the sales day book for the month of May 2017.

5. The following information was in the book of Masa traders of the year 2007

Inventory in hand 1.1.2007	Tshs. 227,000
Inventory in hand 31.12.2007	Tshs. 132,000
Purchases	Tshs. 150,000
Sales	Tshs. 325,000
Wages and salaries	Tshs. 2500

Calculate:

- i. Average stock
- ii. Cost of goods available for sale
- iii. Cost of goods sold
- iv. Gross profit
- v. Net profit

6. On 1stJan 2000, MASWA started business with the following transactions.

- Jan 1. Cash in hand 123,400/=
- Cash at bank 103,000/
- Jan 8. Paid for motorcycle 50,000 in cash
- Jan 9. Cash sales 150,000/=
- Jan 18. Sold goods by cheque 18000/=
- Jan 20. Drew cash from bank 10,000/=
- Jan 23. Paid cash for transport 5000/=
- Jan 25. Paid cash for Insurance 4000/=

Present the above information of MASWA in the two column cash book in the month of Jan 2000.

SECTION C (45 Marks)

7. Mr Daudi is illiterate of a Trial balance by the following information educate him how to prepare Trial balance as at 31stJuly 2016.

Details

Purchases	720,000	Sundry debtors	18,000
Stock 1 st Jan 2016	120,000	Capital	1,231,000
Carriage out wards	30,000	Sundry creditors	35,000
Discount allowed	8,000	Cash in hand	30,000
Interest received	2,600	Salaries	156,000
Sales	1,300,000	Land and Building	1,170,000
Return outwards	15,000	Furniture and Fittings	62,000
Bank overdraft	120,000	Return in wards	100,000
Rent and rates	49,600	Drawings	110,000
		Motorvehicles	130,000

8. On 1st Jan 1990 Noara stores had the following, a debit balance of Tsh. 30,000 cash and Tsh. 500,000 bank. It performed by following transactions.

Jan 1.	Brought machine for cast	10,000
Jan 2.	Brought goods and paid by cheque	30,000
Jan 10.	Sold goods for cash 40,000 less discount	10%
Jan 15.	Paid for goods bought Tsh. 50,000 by cheque less 2% discount.	
Jan 20.	Paid salary for cash	5,000
Jan 21.	Sold goods by cheque 80,000 less 1,500 discount	
Jan 24.	Brought goods for cash 15,000 less discount 5%	
Jan 26.	Drew cash from bank for personal use	10,000
Jan 27.	Received cheque from NMB	50,000
JAN 28.	Paid advertisement by cheque	2,000

Required :

- i. Prepare three column cash book
- ii. Show Discount received Account and Discount allowed account.

9. The followings is the information of Jamina traders as at 31stDec 1996. Draw up statement of financial position as at that date.

Net profit	273,400	Cash in hand	12000/=
Drawings	205,000	Furniture	60,000/=
Capital	1,284,400	Motor vehicle	240,000/=
Creditors	304,500	Motor expenses	66,400/=
Stock 31.12.1996	500,000	Carriage outwards	32,600/=
Debtors	457,700		
Cash at bank	387,600		
Sales	1,860,000		