Candidate's Examination Number.....

THE UNITED REPUBLIC OF TANZANIA

NATIONAL EXAMINATIONS COUNCIL

FORM TWO SECONDARY EDUCATION EXAMINATION

0062 BOOK KEEPING

Time: 2:30 Hours Friday, 20 November 2015 p.m

Instructions

1. This paper consists of Section **A, B** and **C.**
2. Answer **al**l questions.
3. **All** answers should be written in spaces provided.
4. Cellular phones and unauthorized materials are not allowed in the assessment room
5. Write your **Examination Number** at the top right-hand corner of every page.

FOR ASSESSOR'S USE ONLY		
QUESTION NUMBER	**SCORE**	**ASSESSOR'S INITIALS**
1		
2		
3		
4		
5		
6		
7		
TOTAL		
CHECKER'S INITIALS		

Candidate's Examination Number.....

SECTION A (20 Marks)

1. For each of the following items (i) - (x), choose the correct answer and write its letter in the box provided.

(i) Which of the following is the definition of a balance sheet?
A A list of balances after calculating net profit.
B A statement of all liabilities.
C A trial balances at a different date.
D A list of balances before calculating net profit.

(ii) The purchases day book can be described as
A a part of the double entry system
B a list of purchases bought on credit
C a list of suppliers' account
D a list of purchases bought for cash.

(iii) Which of the following describes the meaning of a trial balance?
A Is the final account in the books.
B Shows all the assets balances.
C Is a list of balances on the books.
D Discloses financial position of a business.

(iv) Which of the following is **not** personal account?
A Rent and debtors.
B Debtors and drawings.
C Debtors and creditors.
D Drawings and rent.

(v) What is meant by contra entry?
A Cash is banked before it has been paid out.
B Double entry is completed within the cash book.
C The proprietor has repaid capital in cash.
D Sales have been paid by cash.

(vi) A cash discount is described as a reduction in the sum to be paid
A if goods are bought on credit and not for cash
B if either cheque or cash payment is made within an agreed period
C if cash is paid instead of cheque
D if trade discount is also deducted.

(vii) What is meant by trade discount?
A A discount given if the invoice is paid.
B A discount given for cash payment.
C A discount given to supplier.
D A discount given to traders.

(viii) The balance in the purchase's ledger is usually
A credit balance
B contra balance
C nominal balance
D debit balance.

(ix) In the trading account, the sales returns should be
A added to cost of goods sold
B deducted from purchases
C deducted from sales
D added to sales.

(x) The journal is described as
A part of the double entry system
B a form of sales day book
C a form of diary
D a supplementary to the balance sheet.

2. Match the items in **Column A** with the responses in **Column B** by writing the letter of the correct response below the item number in the table provided.

Column A	***Column B***
(i) Used to record items that are much less common.	A Ledger
(ii) The individual record of a person, firm, a thing, an item of income or expenses.	B Real account
(iii) Each transaction is recorded in its two-fold aspects.	C Sales ledger
(iv) A written order from a bank current holder addressed to the bank to pay stated money.	D Double entry
(v) Record which involving the assets of the business.	E Cheque
(vi) Record the items of expenses incurred and	F Account
	G Receipt
	H Journal
	I Credit note
	J Purchases ledger
	K Debit note
	L General ledger
	M Invoice
	N Personal account

income earned. (vii) A document used to record payments of goods purchased and sold on credit. (viii) A document sent by the seller to the buyer to correct an undercharge in an invoice. (ix) A document sent by the seller to the buyer to correct an overcharge in an invoice. (x) A written acknowledgement of money received or paid.	O Nominal account

Column A	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Column B										

SECTION B (20 Marks)

3. Mention any five types of books of original entry.
   (i) ……
   (ii) ……
   (iii) ……
   (iv) ……
   (v) ……

4. State the nature of the following accounts whether they are debit or credit balance.

Accounts	**Nature of the Account**
(i) Capital account	
(ii) Purchases account	
(iii) Sales account	
(iv) Rent received account	
(v) Rent account	
(vi) Drawing account	
(vii) Machinery account	
(viii) Debtors account	
(ix) Creditors account	
(x) Stock account	

5. Yamolo Company provides the following financial data as at 31st December 2013. Prepare a balance sheet using the information below:

Buildings	500,000
Fixture and Fitting	100,000
Plant and Machinery	300,000
Stock	100,000
Cash at Bank	250,000
Cash in Hand	50,000
Debtors	250,000
Creditors	350,000
Liabilities	200,000
Capital	1,000,000

6. Jaja Company provides the following financial data as at 30th June 2014:
   Balance as per cash book on 30th June 2014 (before adjustments): 25,000
   Bank charges recorded on 30th June 2014: 1,600
   Balance as per bank statement on 30th June 2014: (5,200) (overdraft)
   Uncredited cheque: 41,000
   Unpresented cheques: 8,800 and 3,600

Instructions:

- Prepare an adjusted cash book for Jaja Company as at 30th June 2014, incorporating the bank charges and determining the adjusted cash book balance.
- Prepare a bank reconciliation statement to reconcile the adjusted cash book balance with the bank statement balance as at 30th June 2014.

7. The following transactions are provided for Nankambila for the year ended 30th December 2013:
   Opening Stock as at 1st January 2013: 120,000
   Purchases: 130,000
   Purchase Returns: 37,000
   Sales: 310,000
   Sales Returns: 16,000
   Closing Stock as at 31st December 2013: 170,000
   Wages: 20,000
   Discount Allowed: 10,000
   Discount Received: 25,000

Instructions:

Prepare the Trading, Profit and Loss Account for Nankambila for the year ended 30th December 2013.