*Candidate's Examination Number*.....

# THE UNITED REPUBLIC OF TANZANIA
# NATIONAL EXAMINATIONS COUNCIL OF TANZANIA
# FORM TWO NATIONAL ASSESSMENT

**062** **BOOK KEEPING**

**Time: 2:30 Hours** **Monday, 18th November 2019 a.m.**

**Instructions**

1. This paper consists of sections A, B and C with a total of **seven (7)** questions.
2. Answer **all** questions.
3. All writing must be in blue or black ink.
4. All answers must be written in the spaces provided.
5. Calculators, cellular phones and any unauthorized materials are **not** allowed in the examination room.
6. Write your **Examination Number** at the top right corner of every page.

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

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**SECTION A (20 Marks)**

Answer **all** questions in this section.

1. For each of the items (i) – (x), choose the correct answer from among the given alternatives and write its letter in the box provided.

(i) 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. ☐

(ii) 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. ☐

(iii) Which one should **not** be called sales?
A Goods sold in cash. B Goods sold on credit.
C Sale of office fixtures. D Sale of items purchased. ☐

(iv) Which of the following is a liability to a business?
A Loan from Hali Safi. B Loan to Uncle.
C Loan interest. D Loan repayment. ☐

(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) To which account is the total of the purchases returns journal transferred to?
A Returns outwards account credit side.
B Returns outwards account debit side.
C Returns inwards account credit side.
D Returns inwards account debit side. ☐

(vii) Which one of the following is **not** an asset to a business?
A Buildings. B Cash.
C Creditors D Debtors. ☐

(viii) Which of the following are personal accounts?
A Buildings and creditors. B Wages and debtors.
C Debtors and creditors. D Wages and creditors. ☐

(ix) In which account is the net profit of the business determined?
A Trading account. B Profit and loss account.
C Cash account. D Bank account. ☐

(x) Which of the following is a ledger account?
A Profit and loss account. B Sales journal.
C Trading account. D Cash account. ☐



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2. For each of the items (i) - (x), match the descriptions of the terms used in Book Keeping in **List A** with their corresponding names in **List B** by writing the letter of the correct response below the corresponding item number in the table provided.

| List A | | List B |
|---|---|---|
| (i) | The maximum amount of money an accounting officer can spend. | A Recurrent expenditure |
| (ii) | The balance at any point in time remaining to the credit side of the exchequer account. | B Revenue expenditure |
| (iii) | The Ministry which has been generally vested the task of accounting for all the government money. | C General fund |
| (iv) | Any person who is appointed in writing to authorize the expenditures for specific items of expenditure. | D Family |
| (v) | Accounts for the basic services provided by the local authorities through the use of the general revenue. | E Development expenditure |
| (vi) | A group of people who are related to each other and are entitled for government monetary benefits. | F Capital expenditure |
| (vii) | A financial year of the government which starts on 1st July and ends on 30th June of every year. | G Special fund |
| (viii) | Day to day expenses for executing operations of a government. | H Government accounting year |
| (ix) | Estimates to cater for the capital of long term projects of the government. | I Public money |
| (x) | Government money for the benefit of all citizens in a country. | J Accounting officer |
| | | K Treasury |
| | | L Authorized officer |
| | | M Consolidated fund |
| | | N Warrant holder |
| | | O Ambit of vote |

**Answers**

| List A | (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
|---|---|---|---|---|---|---|---|---|---|---|
| List B | | | | | | | | | | |



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## SECTION B (20 Marks)

Answer **all** questions in this section.

3. Mention five users of accounting information.

(i) .....

(ii) .....

(iii) .....

(iv) .....

(v) .....

4. Briefly explain the following terms:

(a) Double entry book keeping system

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(b) Account

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(c) Discounts received

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(d) Debtors

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(e) Current liabilities

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## SECTION C (60 Marks)

Answer **all** questions in this section.

5. Enter the following balances and record the transactions for the month of April 2018 in the three column cash book of Mrs. Mwalongo, balance the cash book, and bring down the balances:

2018

| April 1, Balance b/d | TZS |
|---|---|
| Cash | 11,000 |
| Bank | 38,500 |
| Debtors: | |
| L. Sempeo | 16,000 |
| L. Mushi | 10,000 |
| S. Sogodi | 12,000 |
| Creditors: | |
| R. Fredy | 12,000 |
| L. Andrew | 20,000 |
| E. Sebogo | 28,000 |

April 3, L. Mushi paid her account by cheque, after deducting 5 percent cash discount.
April 7, Mrs. Mwalongo paid amount owing to R. Fredy by cheque, less 2.5 percent cash discount.
April 10, withdrew TZS 15,000 cash from the bank for office use.
April 15, Mrs. Mwalongo sold goods worth TZS 24,000 on credit to L. Mushi.
April 17, L. Sempeo paid amount owing by cheque, less 2.5 percent cash discount.
April 20, Mrs. Mwalongo paid wages by cheque TZS 31,500.
April 22, Mrs. Mwalongo paid amount owing to L. Andrew by cheque, after deducting 5 percent cash discount.
April 25, S. Sogodi paid the amount owing by cheque, less 2.5 percent cash discount.
April 28, Mrs. Mwalongo paid the amount owing to E. Sebogo by cheque, after deducting 2.5 percent cash discount.



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T. Thomas, a sole trader keeps his petty cash on the imprest system. The imprest amount is TZS 50,000. The petty cash transactions for the month of February 2017 were as follows:

2017
February 1, petty cash in hand TZS 4,670
February 1, petty cash restored to imprest amount
February 3, paid wages TZS 8,760
February 7, purchased postage stamps TZS 2,940
February 10, paid wages TZS 9,110
February 14, purchased envelops TZS 2,280
February 17, paid wages TZS 8,840
February 20, paid cash to J. Mureithi a creditor, TZS 4,160
February 21, purchased stationery TZS 2,750
February 24, paid wages TZS 8,480

Record the given transactions in T. Thomas's petty cash book for the month of February 2017 and show the restoration of the petty cash to the imprest amount as on 1st March 2017. Use the following analysis columns:
(a) Wages
(b) Stationery
(c) Postage
(d) Ledger



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7. The following balances were extracted from the books of G. George for the year ended 31st December 2017. Use the information provided to prepare his Statement of Financial Position as at 31st December, 2017.

| **Details** | **TZS** |
|---|---|
| Capital | 200,000 |
| Loan from K. China | 50,000 |
| Loan from Uncle | 150,000 |
| Sales | 140,000 |
| Furniture | 50,000 |
| Loan to Mwajuma | 50,000 |
| Buildings | 50,000 |
| Net profit | 31,270 |
| Land | 50,000 |
| Purchases | 300,000 |
| Drawings | 25,400 |
| Salaries | 150,000 |
| Bank overdraft | 39,380 |
| Wages | 100,000 |
| Creditors | 90,200 |
| Motor Vehicle | 50,000 |
| Fixtures and Fittings | 220,000 |
| Stock | 23,500 |
| Debtors | 41,950 |
| Rent | 20,000 |

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