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

### **BOOK KEEPING**

062 Time: 2:30 Hours

Year: 2020

### Instructions

- 1. This paper consists of sections A, B and C with a total of seven (7) questions.
- 2. Answer **all** questions.
- 3. Section A and B carry twenty (20) marks each and section C carries sixty (60) marks.
- 4. All writing must be in **blue** or **black** ink.
- 5. All answers must be written in the spaces provided.
- 6. Calculators, cellular phones and any unauthorised materials are **not** allowed in the assessment room.
- 7. Write your Assessment 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 I					

Student's Assessment Number .....

# **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)	<ul><li>Which of the following best describes</li><li>A Items bought</li><li>C Goods bought on credit</li></ul>	puro B D	chases? Goods bought for resale Goods bought in cash			
(ii)	Which of the following is <b>not</b> the objective of studying Book Keeping?ATo control businessBTo determine profitCTo assure fair tax assessmentDTo provide opportunity for employment					
(iii)	<ul><li>What is the alternative name for the sa</li><li>A Sales invoice</li><li>C Daily sales</li></ul>	ales j B D	Sales day book Sales ledger			
<ul> <li>(iv) What does a debit balance of TZS 40,000 in the cash account of a business shows?</li> <li>A The business has TZS 40,000 cash in hand</li> <li>B Cash has been overspent by TZS 40,000</li> <li>C The total of cash received was less than TZS 40,000</li> <li>D TZS 40,000 was the total of cash paid out</li> </ul>						
(v)	Given a desired cash float of TZS 20,0 will be reimbursed at the end of the pe A TZS 20,000 C TZS 14,600		if TZS 14,600 is spent in the period, how much TZS 5,400 TZS 25,400			
(vi)	<ul><li>A cheque paid by the business but not</li><li>A stale cheque.</li><li>C uncredited cheque.</li></ul>	yet B D	passed through the banking system is known as dishonoured cheque.			
(vii)	<ul> <li>Which of the following best describes a trial balance?</li> <li>A It shows the financial position of a business.</li> <li>B It is a list of non current assets.</li> <li>C It is a list of ledger accounts balances.</li> <li>D It is a list of all ledger accounts.</li> </ul>					
(viii)	<ul><li>A petty cash book is used for recordin</li><li>A cash payments.</li><li>C bank payments.</li></ul>	g B D	small cash payments.			
(ix)	<ul><li>Which of the following is an asset to a</li><li>A Debtors</li><li>C Bank overdraft</li></ul>	a bus B D	Creditors Loan to the business.			

- (x) Which of the following are sources of government revenue?
  - A Taxation, license fees, government employees salaries
  - B Taxation, grants, public roads maintenance
  - C Taxation, interest from investments, grants, aids
  - D Taxation, dividends from investments, consolidated fund.
- 2. For each of the items (i) (x), match the descriptions of the terms used in Book Keeping in **Column** A with their corresponding names in **Column B** by writing the letter of the correct response below the corresponding item number in the table provided.

	Column A		Column B
(i)	A monthly or quarterly summary which the bank sends	А	Bank overdraft
(ii)	<ul><li>to its customers.</li><li>A statement prepared to reconcile cash book balance and bank statement balance.</li></ul>		Bank reconciliation statement
()			Reimbursement
(iii)	The amount deducted by the bank for the services	D	Bank charges
(iv)	offered to its customers.		Statement of financial position
(1V)	An instruction given by account holder authorizing his bank to make regular payments on his behalf.	F	Bank statement
(v)	The amount of money which the bank customer can	G	Imprest system
~ ~	draw out of the bank in excess of his bank balance.		Direct remittances
(vi)	Deposits directly lodged into customer's bank account without his/her knowledge	Ι	Errors
		J	Dishonoured cheque
(vii)	A cheque deposited in the trader's bank account is	K	Petty cash voucher
	returned by the bank unpaid for various reasons.		Standing order
(viii)	Accounting mistakes in recording and posting some	М	Petty cash expenses
	transactions and entries in the books of accounts.		Cheque
(ix)	An evidence for petty cash payments.	0	Credit transaction
(x)	The actions by which petty cashier is refunded the amount spent in the given period.		

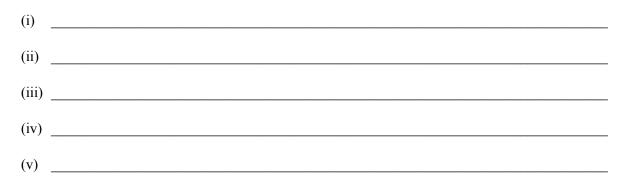
### ANSWERS

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

# **SECTION B (50 Marks)**

Answer all questions in this section.

3. Mention five types of errors which affect the trial balance agreement.



4. For each of the items (i) - (v), compute the missing amounts and write them in the space provided.

	Assets TZS	Liabilities TZS	Capital TZS
(i)	15,700		8,650
(ii)		8,850	24,700
(iii)	27,310	6,350	
(iv)		13,430	38,150
(v)	20,500		17,620
	Cost of Sales TZS	Gross Profit TZS	Sales TZS
(vi)	26,000	14,000	
(vii)		48,000	92,000
(viii)	115,000		130,000
(ix)	156,000	24,000	
(x)		45,000	95,000

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# **SECTION C (60 Marks)**

Answer all questions in this section.

5. On 1<sup>st</sup> January 2019 Ritta started business as a furniture dealer with the following assets and liabilities:

Details	TZS
Cash in hand	20,000
Cash at bank	80,000
Furniture	50,000
Buildings	20,000
Debtors: P. Fundi	50,000
M. Sonje	20,000
Ritta owes TZS 30,000 to	Charles and TZS 10,000 to John.

Record the given balances in the General Journal and post them to their respective ledger accounts on 1<sup>st</sup> January 2019.

 Rukia had the following items in her balance sheet on 30<sup>th</sup> April 2019: Capital TZS 31,700: creditors TZS 7,400: fixtures TZS 9,600: car TZS 12,300; stock TZS 8,600; debtors TZS 8,150; cash at bank TZS 3,040 and cash in hand TZS 2,900.

During the first week of May 2019:

- (a) She bought extra stock for TZS 1,100 on credit.
- (b) One of Rukia's debtors paid her debt of TZS 4,500 by cheque.
- (c) She bought a computer by cheque TZS 6,100.

Using the information provided, draw up Rukia's Statement of Financial Position as at 7<sup>th</sup> May, 2019.

- 7. At close of business on 31<sup>st</sup> March 2018, Mkwawa's bank balance according to his cash book was TZS 78,00. This does not agree with the balance at the bank as shown by the bank statement. The disagreement between cash book and bank statement balances was caused by the following items.
  - (a) Mzalendo, one of Mkwawa's debtors had paid the sum of TZS 7,300 directly into Mkwawa's bank account, bank interest credited to Mkwawa's account by the bank TZS 25,000.
  - (b) A banker's standing order for a trade subscription of TZS 25,000 was paid by the bank during the month of March but the transaction has not yet passed through the cash book.
  - (c) The following cheques were drawn by Mkwawa during the month of March 2018 but had not been presented for payment at the bank on 31<sup>st</sup> March, 2018. Rashid TZS 3,400; Hashim TZS 4,100; Lissa TZS 6,000; Lucy TZS 4,000; Halima TZS 10,000; Lucas TZS 7,000; Joseph TZS 3,000; Teddy TZS 12,000; Maryam TZS 15,000; Matthew TZS 20,000 and William TZS 5,200.
  - (d) The sum of TZS 112,000 was paid into the bank account by Mkwawa on 31<sup>st</sup> March, 2018 but this item did not appear in the bank statement until a later date.

Use the information provided to prepare a Bank Reconciliation Statement as at 31<sup>st</sup> March, 2018 starting with the balance as per cash book.