THE UNITED REPUBLIC OF TANZANIA
PRESIDENT'S OFFICE
REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT

IRAMBA DISTRICT COUNCIL

FORM FOUR SERIES TWO EXAMINATION – JULY 2026

062 BOOK KEEPING

(For Both School and Private Candidates)

Time: 3 Hours

INSTRUCTIONS

1. This paper consists of sections A, B and C with a total of nine (9) questions.
2. Answer all questions in each section.
3. Section A carries fifteen (15) marks; section B carries forty (40) marks and section C forty five (45) marks.
4. Non-programmable calculators may be used.
5. Communication devices and any unauthorised materials are not allowed in the examination room.
6. Write your Examination Number on every page of your answer booklet(s)

This paper consists of 6 printed pages

SECTION A: (15 MARKS) ANSWER ALL QUESTIONS N THIS SECTION

1. For each of the items (i) — (x) choose the correct answer from among the given altematives and write the letter beside the item number in the answer booklet provided.

(i) Which is the main reason for admitting a new partner in partnership business?

A. To gain more profit in the business

B. To receive more salaries D. To reduce the business loses C. To help writing of bad debts E. To expand the business

(ii) A customer buys 100 items ofTZS 5,000/= each and has been given a 25% cash discount, if he pays within 30 days. What amount would he pay within the discounting period?

A. TZS 73500

D. TZS 3 750 0

B. TZS 6 250 0

E. TZS 1 250 0 0/=

C. TZS 573.00

(iii) How is the capital for a non — profit marking organization described?

A. Capital employed fund

D. Gross working capital fund

B. Capital supplied ftnd

E. Accumulated shares fund

C. Accumulated fund

(iv) A business has the cost of goods sold Tshs. 150,000/= and the mark up of 40%, calculate the amount of sales for the business.

A. TZS

D. TZS 150,000/=

B. TZS 90.000/=

E. TZS 210,000/=

C. TZS 60,000k

(v) What would you consider to be the main source of govemment revenues?

A. Royalties

D. Interest

B. Penalties

E. Fees

C. Taxes

(vi) Which of the following items is not recorded in the trial balance?

A. Purchases

D. Sales

B. Debtors

E. Cost of goods sold

C. Closing stock

(vii) Which of the following books of original entry is used to record a list of goods sold on credit?

A, The sales day book

D. The purchases return day book

B. The purchases day book

E. The discount received book

C. The sales return day book

(viii) A business had an opening and closing stock balanced of TZS 57,000/— and TZS 64,300/= respectively. What is average stock?

A. TZS D. TZS 19,600/B. TZS E. TZS

18.600/=C. TZS 5,000/=

(ix) Which documents is used to deposit money in the current account?

A. Cheque book
B. Paying in slip
C. Bank statement
D. General ledger
E. Cash book

(x) Which item would not appear under non — current liabilities in the statement of financial position?

A. TZS 70,000, 8 — years loan from National Bank of Commerce
B. TZS 900,000 interest maturing in 10 — years' time
C. TZS 50, 000 accrued expenses
D. TZS 80,000, 6- years loan from CRDB
E. TZS 20,000 credit sales to be paid in two years

2. For each Of the item (i— x) match the description of government accounting terminologies in column in A with their corresponding names in column B by writing the letter of the correct response beside the item number in the answer booklet provided.

COLUMN A	COLUMN B
(i) Maximum amount of money an accounting officer can spend (ii) An officer in public services who is appointed by the president to control the issues of public money. (iii) An officer who is responsible to collect and account public money. (iv) Expenditure, which do not add any value of the government. (v) Expenditure of running government for day-to-day activities.	A. Nugatory expenditure B. Recurrent expenditure C. Vote D. Ambit of vote Accounting E. officer F. Paymaster general G. Receiver of revenue

SECTION B (40 MARKS) ANSWER ALL QUESTIONS IN THIS SECTION

3. On 1 st January 2015 Mikuyu motors, purchased a motor lorry worth TShs.12,000,000/=. The company used the asset for three years. On 31 st December 2017 the lorry was sold for scraped value for 3,000,00()/=. The policy of the company is to compute depreciation using straight-line method.

Required; prepare

(a) Motor lorry account

(b) Provision for depreciation account.

4. Business error is an internal mistake occurs in the business at the time of keeping records of business transactions. As a form four student what are the five (5) errors that do not disclose the trial balance agreement.

5. On January 2019 Ritta started business as a furnituredeal with the following assets and liabilities Details

Details		TZS
Cash in hand		20,000/=
Cash at bank		80,000/=
Furniture		50,000/=
Buildings		20,000/=
Debtor:	Fundi	50,000/=
	Sonjo	20,000/=

Rita owes TZS 30.000/= to Charles and Tzs to john Required: Open Journal proper to find capital.

6. Elaborate on the following accounting concepts
   (i) Business entity concept
   (ii) Matching concept
   (iii) Double entry principle
   (iv) Money measurement principle
   (v) Book-keeping

SECTION C: (45 MARKS)

Answer all questions:

7. On 5^{dl} JUNE 2019, M. Halima of Mwanza consigned 1,000 units of goods to J. Manyanya of Arusha; the cost price was Tshs 800,000, M. Halima paid the following expenses:

- Carriage shs. 200,000/=
- Marine insurance 80, 000/=
- Freight shs 90,000/=

On 30fr June 2019 J. Manyanya sent an account sale to M. Halima, showing that 600, units were sold for shs and 1,200,000/= and sh she incurred the following expenses.

- CatTiage shs 150,000/=
- Import duty shs 45,000/= 195,0
- Storage shs 50,000/= 120
  Commission 80,000/=
- Sales expenses 5000/=

Record the above transactions in the books of the consignor, showing the calculations of the unsold inventory

8. The following Trial balance has been extracted from the book of J. Solomon, Toy manufacturer as at 3 1 st December 2014.

J. SOLOMON

Trial Balance as at 31st December 4014

PATRICULARS	DR (Tshs)	CR (Tshs)
Inventory of Raw materials l . 1.2014	21,000	
Inventory of finished goods 1. I .2014	38,900	
Work in progress 1.1.2014	13,500	
Wages (Direct factory Indirect 145,000	325,000	
Royalties	7,000	
Carriage Inwards on (raw materials)	3,500	
Purchases of raw materials	370,000	
Productive machinery (cost 280,000/=)	230,000	
Administration computers (cost 20,000/=)	12,000	
General factory expenses	31,000	
Lighting	7,500	
Factory power	13,700	
Administration salaries	44,000	
Sales and repairs salaries	30,000	
Commission on sales	1 1,500	
Rent	12,000	
Insurance	4,200	
General administration expenses	13,400	
Bank changes	2,300	
Discount allowed	4,800	

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Can•iage out wards	5,900	
Sales		
Account receivable and accounts payable	142,300	64,000
Bank	16,800	
Cash	1,500	

Drawings	60,000	
Capital as at 1 . 1.2014		357,800
TOTAL	1421,800	1421,800

Notesat31.12.2014

(i) Inventory of raw materials 24,000/=; Inventory of finished goods 40,000/=; Work in progress 15,000/=.

(ii) Depreciation on productive machinery and administration computer at 10 per cent per annum on cost

(iii) Lighting, Rent and insurance are to be apportioned: factory 5/6 Administration 1/6.

Required:

Prepare statement of manufacturing for the year ending 31 st December 2014

9. Kaka and Dada both are famous sellers. They decided to put their talents and skills to mutual commercial advantages during the Ramadhan. They entered into a joint venture, to sell goods and share profit or loss equally after allowing 10% commission on sales. The transactions for the ventures are:

DETAILS	KAKA	DADA
Goods bought for sale	600,000	500,000
Transport paid	13,000	13,700
Goods sold for cash	919,800	841,800
Advertising	2,900	3,200
Commission	10% of sales	of sales

Additional Information:

(i) There was no accrual in respect of expenses and income

(ii) Kaka failed to sell some of the goods and took them at agreed value of value of

Required: Prepare

(a) Joint venture account in the books of both parties (b)

Memorandum joint venture account.