IRAMBA DISTRICT COUNCIL
FORM FOUR SERIES 02 EXAMINATION- 2026
BOOK KEEPING

TIME: 3:00HOURS **DATE:**

MARKING SCHEME

SECTION A: (15 marks)

1. A student is required to read the statements given and choose the correct letter

i.	ii.	iii.	iv.	v.	vi.	vii.	viii.	ix.	x.
E	D	C	E	C	C	A	B	B	C

@01 mark=10 marks

2. A student is required to match the items in list A with its corresponding answers in list B and write the correct letter as follows:

i.	ii.	iii.	iv.	v.
D	F	G	A	B

@01 mark=05 marks

SECTION B: (40marks)

3. A student is required to prepare motor lorry and provision for depreciation Account as follows.

Dr. **MOTOR LORRY ACCOUNT** **Cr.**

Total ticks 08@

Date	Details	Folio	Amount	Date	Details	Folio	Amount
1.1.2015	Cash		12,000,000	31.12.2015	Balance	c/d	12,000,00
1.1.2016	Balance	b/d	12,000,000	31.12.2016	Balance	c/d	12,000,00
1.1.2017	Balance	b/d	12,000,000	31.12.2017	Disposal		12,000,00

0.5marks=04 marks

DR **PROVISION FOR DEPRECIATION ACCOUNT** CR

Total ticks14@ 0.5marks=07 marks

Date	Details	F	Amount	Date	Details	F	Amou
31.12.2015	Balance	c/d	3,000,000	31.12.2015	Income statement		3,000
31.12.2016	Balance	c/d	6,000,000	31.12.2016	Balance	b/d	3,000
				31.12.2016	Income statement		3,000
			6,000,000				6,000
31.12.2017	Disposal		9,000,000	1.1.2017	Balance	b/d	6,000
			9,000,000	31.12.2017	Income statement		3,000
							9,000

4. A student is required to provide five (5) errors that do not disclose trial balance agreement as follows:

I. Error of omission

II. Error of commission
III. Error of principle
IV. Error of original entry
V. Error of complete reversal of an entry
VI. Composition error

Any 5 errors @02 marks=10 marks

5. A student is required to prepare journal proper from the given data as follows:

JOURNAL PROPER√

DETAILS	DR	CR
Furniture	50,000√	
Buildings	20,000√	
Cash in hand	80,000√	
Cash at bank	20,000√	
Debtors		
-Fundi	50,000√	
-Sonjo	20,000√	
Creditors		
-charles		30,000√
-john		10,000√
Capital		200,000√
(Being capital=Assets-Liabitity) √	**240,000**√	**240,000**√

Total ticks 13@ 0.77mark=10 marks

6. A student is required to define the given terms:
   a. Business entity: it states that, the business is treated as a separate legal entity from the owners. Meaning that, business transactions must be separated from personal transactions
   b. Matching concept: it states that, in a business we always match incomes and expenses to determine profit obtained in business
      Example: PROFIT=INCOME-EXPENSES
   c. Double entry principle: it states that, every business transaction must be recorded twice. Meaning that every DR entry must have its corresponding CR entry
   d. Money measurement principle: it states that, all business transactions must be recorded in monetary terms
   e. Book keeping: is the art of recording business financial transactions it terms of money or money's worth in orderly manner.
   f. **@02 marks=10 marks**

SECTION C: (45 marks)

7. A student is required to prepare accounts in books of consignor as follows:

IN THE BOOK OF CONSIGNOR (M. HALIMA)

DR GOODS SENT ON CONSIGNMENT ACCOUNT √ CR

DETAILS	AMOUNT	DETAILS	AMOUNT
Income statement	**800,000** √	Consignment to j manyanya	**800,000** √

DR CONSIGNMENT TO J MANYANYA ACCOUNT √ CR

DETAILS	AMOUNT	DETAILS	AMOUNT
Goods sent on consignment	800,000√	Sales	1,200,000√
M. HALIMA EXP		Unsold stock c/d	566,000√
Carriage	200,000√		
Insurance	80,000√		
Freight	90,000√		
J. MANYANYA EXP			
Carriage	150,000√		
Import duty	45,000√		
Storage	50,000√		
Commission	80,000√		
Sales exp	5,000√		
	1,766,000		**1,766,600**

DR J. MANYANYA ACCOUNT √ CR

DETAILS	AMOUNT	DETAILS	AMOUNT
Sales	1,200,000√	Carriage	150,000√
		Import duty	45,000√
		Storage	50,000√
		Commission	80,000√
		Sales exp	5,000√
		Cash/bank	870,000√
	1,200,000		**1,200,000**

23ticks@0.66 mark=15 marks

8. A student is required to prepare statement of manufacturing profit or loss from the given data as follows:

STATEMENT OF MANUFACTURING FOR THE YEAR ENDED 31ST DEC. 2014√

	TSHS	TSHS

opening inventory of raw material		21,000√
add: purchases of raw material	370,000√	
carriage on raw material	3,500√	
NET PURCHASES OF RAW MATERIAL		373,500√
Cost of raw material available for use		394,500√
Less: closing inventory of raw material		24,000√
Cost of raw material consumed		370,500√
Add: direct wages	180,000√	
Royalties	7,000√	187,000
PRIME COST		557,500√
Factory overhead expenses		
Factory wages	145,000√	
General factory expenses	31,000√	
Lighting (5/6*7,500)	6,250√	
Factory power	13,700√	
Factory rent (5/6*12,000)	10,000√	
Factory insurance (5/6*4,200)	3,500√	
Depreciation-productive machinery (280,000x10%)	28,000√	237,450√
TOTAL FACTORY EXPENSES		794,950√
Add: opening stock of work in progress		13,500√
		808,450√
Less: closing stock of work in progress		15,000√
PRODUCTION COST OF GOODS PRODUCED		**793,450**√

Total ticks25@0.6 mark = 15 marks

9. A student is required to prepare joint venture accounts in the books of all ventures as well as memorandum joint venture account as follows:

IN THE BOOKS OF KAKA

DR JOINT VENTURE WITH DADA ACCOUNT √ CR

Date	Details	Folio	Amount	Date	Details	Folio	Amount
	Purchases		600,000√		Sales		919,800√
	Transport		13,000√		Goods taken		150,000√
	Advertising		2,900√				
	Commission		91,980√				
	Profit share		301,320√				
	Cash to Dada		60,600√				
			1,069,800				**1,069,800**

Total 9ticks@0.49 mark=04.41 marks

IN THE BOOKS OF DADA

DR JOINT VENTURE WITH KAKA ACCOUNT√ CR

Date	Details	Folio	Amount	Date	Details	Folio	Amount
	Purchases		500,000√		Sales		841,800√
	Transport		13,700√		Cash from		
	Advertising		3,200√		Kaka		60,600√
	Commission		84,180√				
	Profit share		301,320√				
			902,400				**902,400**

Total 8 ticks@0.49 mark=03.92 marks

DR **MEMORUNDUM JOINT VENTURE ACCOUNT√** CR

Date	Details	Folio	Amount	Date	Details	Folio	Amount
	KAKA'S				Sales(kaka)		919,800√
	ACCOUNT				Goods		
	Purchases		600,000√		taken(kaka)		150,000√
	Transport		13,000√				
	Advertising		2,900√		Sales(dada)		841,800√
	Commission		91,980√				
	DADA'S						
	ACCOUNT						
	Purchases		500,000√				
	Transport		13,700√				
	Advertising		3,200√				
	Commission		84,180√				
	Profit share						
	-kaka 602,590/2		301,320√				
	-Dada		301,320√				
	602,590/2		**1,911,600**				**1,911,600**

Total 14 ticks@0.49 mark=06.86 marks