THE PRESIDENT'S OFFICE – RALG

MEATU DISTRICT COUNCIL

FORM FOUR PRE NECTA EXAMINATION

062 BOOK KEEPING

TIME: 3:00 Hours MARKING SCHEME September, 2025

1. 1 **Marks @=10 marks**

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

2. 1 **Marks @=5 marks**

COLUMN A	**i.**	**ii.**	**iii.**	**iv.**	**v.**
COLUMN B	C	H	I	E	A

3. 1Marks @=10 marks1Marks @ for point only and 1marks@ for Explanation= 10 marks

i. Carriage outward
Refers to transportation cost incurred once goods going to be sold from warehouse or shop

ii. Bank reconciliation statement
Is the statement prepared to show the agreement between the cash book balance and bank statement balance.

iii. Book keeping errors
Refers to unintentionally mistake made when recording transactions in the books of account.

iv. suspense account. Is a temporary account used when the trial balance disagree so as to facilitate the construction of the financial statement

OR

Is an account in which you can enter the amount equal to the difference in the trial balance while you try to find the cause of the error(s) that resulted in the failure of the trial balance to balance

v. Imprest system. Is a system where refund is made of the total paid out in a period in order to restore the float to it's agreed level. OR System of running a petty cash book where the amount spent is reimbursed each months so as to restore the float

4. DR SUBSCRIPTION ACCOUNT CR

Balance b/d (owing)	41,000	Balance b/d	28,000
To income & expenditure account	763,000	Cash	771,000
Balance c/d	32,800	Balance c/ d	37,800

	836,800		**836,800**
Balance b/d (owing)	37,800	Balance b/d (advance)	32,800

(2 mark@, total 10 marks)

5.

A. DR bank's account CR Mussa's account
B. DR Cash account DR Bank account
C. DR Cash account CR Sales accunt
D. DR Massy account CR. Return outwards
E. DR Bank account CR Capital

account (2 mark @ , total 10 marks)

6. Reason for disagreement between cash book balance and bank balance
   A. Unpresented cheque
   B. Uncredited cheque
   C. Standing order
   D. Direct deposit
   E. Credit transfer

7. GENERAL JOURNAL

S/N	NAME OF ACCOUNT & NARRATION	F	DR	CR
i.	Suspense A/C Sales A/C **Sales under casted. Now corrected**		5000	 5000
ii.	Jean’s A/C Joan A/C **Error of commission. Corrected**		12500	 12500
iii.	Rent account Suspense account **Rent under casted. Corrected**		3500	 3500
iv.	Suspense A/C Discount allowed **Discount allowed over casted. Now corrected**		15000	 15000

v.	Sales account Disposal account		18000	 18000

	<u>Being sales of motorvan was recorded in sales A/C.</u> <u>Now corrected</u>			

Dr **Suspense A/C** **Cr**

Sales	5000	Difference in books	16500
Discount allowed	<u>15000</u>	Rent	<u>3500</u>
	<u>20000</u>		**<u>20000</u>**

(1mark @ = 15 marks)

8. Departmental income statement for the year ending 31 March 2011

		Dept A		Dept B		Dept C
Sales		18,000		138,00		82,00
Less:- Cost of sales						
Opening stock	27,100		21,410		17,060	
Add:-Purchases	101,300		81,200		62,900	
	128,400		102,610		79960	
Less:-Closing inventory	23,590	104,810	15,360	87,250	18200	61760
		75,190		50,750		20,240
Add:-Discount Received		1,011		810		629
		76,201		51,560		20,869
Less:- EXPENSES						
Rent and business rates	3,100		3,100		3,100	
Delivery expenses	1,620		1,242		738	
Commission	4,500		3,450		2,050	
Insurance	900		600		300	
Salaries and wages	45,600		30,400		15,200	

Advertising	769		769		769	
Depreciation	1,400		1,400		1,400	
Administration & gen	6,600	(64,489)	6,600	(47,561)	6,600	(30,157)

expenses						
Net profit/ net loss		11,712		3,994		(9,288)

(56 tick @ 0.27, total 15 Marks)

9. In the books of MZIWANDA

Dr JOINT VENTURE WITH MWEREVU Cr

Purchases boats Purchases boats Purchases boats Purchases engine Proceeds to mwerevu Harbor dues Marine insurance	600,000 700,000 900,000 400,000 1,600,000 100,000 200,000	Sales proceeds 600,000 x 2 Sales proceeds Net receipt Loss share Balance c/d	1,200,000 1,600,000 200,000 533,333 966,667
	4,500,000		**4,500,000**
Balance b/d	966,667	Cash settlement from mwerevu	966,667

In the books of MWEREVU

Dr JOINT VENTURE WITH MZIWANDA Cr

Purchases boats Painting expenses Return of boat Harbor due Marine insurance Balance c/d	700,000 50,000 750,000 300,000 600,000 966,667	Sales proceeds Sales proceeds Take over Loss share	1,600,000 800,000 700,000 266,667
	3,366,667		**3,366,667**
Cash settlement from Mziwanda	966,667	Balance b/d	966,667

0.5**Marks @ tick 30=15 marks**