

# NYUMBU SECONDARY SCHOOL

## MIDTERM EXAMINATION

### FORM ONE

**CODE: 061 BOOK KEEPING.**

**Time: 1:30**

**March 2024**

### INSTRUCTIONS:

- i. **This paper consists of section A, B and C**
- ii. Answer all questions from each section
- iii. All writings must be in blue or black ink
- iv. Write your name on every page of your answer sheet.

FOR EXAMINER USE ONLY			
	QUESTION NUMBER	SCORE	INITIAL OF EXAMINER
1.			
2.			
3.			
4.			
5.			
6.			
7.			
	TOTAL		

## SECTION A

1. For each of the following choose the correct answer and then write in a space provided.
- i. Art of recording business transactions in the books of accounts
- |               |                 |
|---------------|-----------------|
| A. Accounting | C. Book keeping |
| B. Recording  | D. D. writing   |
- ii. Any activity set up with the aim of making profit is a
- |              |           |
|--------------|-----------|
| A. Creditors | C. Capita |
| B. Business  | D. Bank   |
- iii. The money used to start business is known as
- A. Capital
- B. Profit
- C. Income
- D. Drawings
- iv. The buyer of goods on credit from the business is known as
- |              |               |
|--------------|---------------|
| A. Debtors   | C. Customer   |
| B. Creditors | D. Proprietor |
- v. A financial institution which keeps and lend money to the people is a
- |             |             |
|-------------|-------------|
| A. Business | C. Supplier |
| B. Bank     | D. Customer |
- vi. ....assumes that business enterprises and its owners are two separate independent entities.
- A. Going concern
- B. Money measurement concept
- C. Business entity concept
- D. Historical cost concept
- vii. Money or goods taken from the business for the owner's personal use
- |              |             |
|--------------|-------------|
| A. Cash      | C. Sales    |
| B. Purchases | D. Drawings |
- viii. The historical cost concept states that all non-current assets are recorded in the books of accounts at their.....
- |                  |               |
|------------------|---------------|
| A. Market value  | C. Cost price |
| B. Selling price | D. Account    |

ix. Are resources owned by business

- A. Assets
- B. Profit
- C. Capital
- D. Liabilities.

x. Is when the expenses are greater than revenue....

- A. Profit
- B. business
- C. Income
- D. Loss

i.	ii.	iii.	iv.	v.	vi.	vii.	viii.	ix.	x.

2. Match the items in **Column A** against with the responses in **Column B** and write the correct answer underneath the item number in the table below.

Column A	Column B
(i) The business affairs to be quite separate from the owner's affairs	A. Historical cost concept.
(ii) The business should record items stated in monetary terms	B. Money measure concept.
(iii) The business is set to operate for a foreseeable future	C. Going concern concept.
(iv) The business must ensure that there is close relationship between revenue and expenses used to generate that revenue	D. Matching concept.
(v) The business should record its assets at original price.	E. Business entity concept.
	F. Money concept.
	G. History concept.
	H. Cost concept.

**Answer**

i.	ii.	iii.	iv.	v.

## SECTION B

3. Define the following terms.

- i. Ledger.....  
.....
- ii. Capital.....  
.....
- iii. Debtors.....  
.....
- iv. Sole proprietor.....
- v. Transaction.....  
.....

4. Describe five 5 importance of book keeping.

- i. ....  
.....
- ii. ....  
.....
- iii. ....  
.....
- iv. ....  
.....
- v. ....

5. Accounting concepts are fundamental rules and assumptions needed in accounting and Book keeping, these are rules which must be followed while recording transactions in the books of accounts. List down five (5) accounting concepts used in Book keeping.

- i. ....
- ii. ....
- iii. ....
- iv. ....
- v. ....

## SECTION C

6. Mama Chakupewa is a retail trader who is selling vegetables and spices at Kongowe street, list down any five(5) business which can be found in your community.

7. Mr.Makungu is a very popular entrepreneuerer who is dealing with car wash services at Picha ya ndege, mention five(5) services which are provided in your society.