Candidate's Assessment Number: ……..

PRESIDENT'S OFFICE

REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT

KIBAHA TOWN COUNCIL

PRE-MOCK FORM TWO EXAMINATION – 2023

BOOK - KEEPING

Code: 062

DAY: WEDNESDAY, Afternoon

DATE: 22/03/2023

Time: 2:30 Hours

Instructions

1. This paper consist of section A, Band C with a total of nine (9) questions
2. Answer all questions
3. Section A carries fifteen (15) marks, B carries forty (40) marks and section C carries (45) marks.
4. All writing must be in blue or black ink
5. All answers must be written in the space provided
6. Cellular phones and any unauthorized materials are not allowed in the examination room
7. Write your **Assessment Number** at the top right corner of every page.

FOR EXAMINER'S USE ONLY		
QUESTION NUMBER	**SCORE**	**EXAMINER'S INTIAL**
1		
2		
3		
4		
5		
6		
7		
8		
9		

10		
TOTAL		

SECTION A

1. For each of the item (i-x) choose the correct answer from the among the given alternatives and write its letter besides the item number in the space provided
   i) A bookkeeping teacher asked students in a class to define a gross profit, what definition would you give?
      A. Excess of cost of goods sold over sales
      B. Excess of expenses over total income
      C. Excess of sales over the cost of goods sold
      D. Excess of income over the cost of expenses
   ii) A statement prepared at the end of the trading period to ascertain profit or loss is known as
      A. Trial balance
      B. Income statement
      C. Cash flow statement
      D. Statement of financial position
   iii) What would be the double entry for cash with draw from bank for personal use?
      A. Debit cash account, credit business account
      B. Debit bank, credit cash account
      C. Debit cash account, credit bank account
      D. Debit drawing account, credit bank account
   iv) Mr machapele purchased good on credit from Mr Chapel for Tshs. 153,000/=. Mr Chapel offered him a trade discount of 2%. How much would be the amount due to supplier?
      A. 149940
      B. 149600
      C. 229600
      D. 3060
   v) Mr lopolop sold a machine for cash Tsh. 200,000/, what would be the effect of this transaction in the accounting records?
      A. Asset of cash will decrease, asset of machine will decrease
      B. Asset of cash will decrease, asset of machine will increase
      C. Asset of machine will increase, asset of machine will increase
      D. Assert of cash will increase asset of machine will decrease
   vi) When goods or services are paid for at the time of exchange it is a
      A. Trade discount

B. Cash transaction
C. Credit transaction
D. Cash discount

vii) The government financial year of Tanzania starts from
A. 1st January to 31st June of each year
B. 1st January to 31st December of the following year
C. 1st to 30th June of the following year
D. 1st January to 31st December of the following year

viii) If the asset of the business amount to $Tshs.\ 85,000/=$ and owner's capital is $Tshs.\ 60,000/=$. How much is the liabilities of the business?
A. $Tshs\ 25,000/=$
B. $Tshs\ 145,00/=$
C. $Tshs\ 40,000/=$
D. $Tshs\ 80,000/=$

ix) The two column cash book records
A. Cash and credit transactions
B. Credit transaction and cash discount
C. Cash transaction, cheque transaction and discount
D. Cheque transaction and cash transaction

x) Mr Polepole customer's returns goods previously sold to him. The shopkeeper will use a document called
A. In voice
B. Credit note
C. Pay in slip
D. Debit note

2. Match the items in list A with the responses in list B by writing the letter of the correct responses below the number of corresponding items in the table provided

LIST A	LIST B
i) States that the company prepare its book of accounting assuming that the business will continue to operate in the foreseeable ii) It requires an enterprise to match revenues and their related expenses in the same accounting period to determine profit or loss iii) There are two aspect of bookkeeping which should be recorded twice in different account iv) The owner of the business is always separated and distinct from the business v) Only business transaction that can be expressed in terms of money recorded in terms of money are recorded in book keeping	A. Business entity concept B. Historical cost concept C. Money measurement concept D. dual aspect concept E. Accounting periodic concept F. Matching concept G. Going concern concept

LIST A	**i**	**ii**	**iii**	**iv**	**v**
LIST B					

SECTION B (40 Marks)

3. Briefly explain the meaning of the following terms
   i) Book keeping _____
   _____
   ii) Contra entry _____
   _____
   iii) Trial balance _____
   _____
   iv) Ledger _____
   _____
   v) Books of prime entry _____
   _____
4. Akilipesa is a businessman who does not appreciate preparation of trial balance, he believes that once ledger balance is established, he can go straight to the preparation of the financial statement. How can you convince Akilipesa to appreciate the preparation of trial balance? Use five point.
   i) _____
   ii) _____
   iii) _____
   iv) _____
   v) _____
5. Financial statement is usefully to the different users of financial statement, depend on what the information is needed. Outline five (5) uses of financial statement
   i) _____
   ii) _____
   iii) _____
   iv) _____
   v) _____
6. Apply the double entry principle to complete the following

S/ N	**TRANSACTION**	**DEBIT**	**CREDIT**
i)	Purchased a motor vane credit from Kassimu		
ii)	Withdraw cash from bank on business use		
iii)	Good sold for cash		
iv)	Baraka returned good to us		
v)	Business owners invested additional cash into the business		

SECTION C (45 MARKS

7. Mwamtumu traders made the following sales during May 2019. You are required to prepare sales day book and post to the ledger.

   2019

   1st may sold to Kavishe LTD

   40 bottle of water @ Tshs. 5000/=

   20 packets of milk @ Tshs. 1000/=

   4thsold to Hassan

   30 cottons of azam juice @10,000/=

   20 cotton of Mo juice@ Tshs, 7,500/=

   8thmay sold to Mr. mbonde

   20 packets of sweets@Tshs. 4000/=

   3 packets of milk@Tsh. 1000/=

   26th sold to mama lishe

   30 bottles of water @Tshs. 800/=

   40 packets of table salt@Tshs. 200/=

   Less 20% trade discount

8. Mwakipesile started a business in 2021he had a balance of 29,000/= in the cash account on 21st january 2021while his bank balance was Tsh. 654,000/=on that date. You are given the following details from Mwakipesile business for month of January 2021.

   Jan 2 receive a cheque from Peter Tsh. 117,000/=
   8 sent a cheque to Peter Tshs. 95,000/=
   11 cashed cheque Tshs. 100,000/=
   16 receive a cheque from Mwakibete tshs. 273,000/=
   25 paid wages by cash Tshs 9200/=
   28 received cash from David tshs. 38,000/=
   29 paid Jotty by cheque Tshs. 57,000/=
   30 paid Samia by cheque Tshs. 1,429,000/=

   REQUIRED:
   From the above information, write up A TWO COLUMN CASH BOOK and balance off the end of the month.

9. The following Trial balance was extracted from books of Kufakunoga LTD on 30th may 2022. Prepare his income statement for the year ending 30th may 2022 and the statement of financial position as at that date.

KUFAKUNOGA TRIAL BALANCE AS AT 30TH MAY 2022.

S/N	NAME OF ACCOUNT	DEBIT TSHS.	CREDIT TSHS.
1.	Capital		70,000

2.	Stock	25,000	
3.	Purchases / sales	55,000	80,000
4.	Insurance	25,000	
5.	Sundry debtors	12,000	
6.	Sundry creditors		26,100
7.	Rent	12,000	
8.	Wages	18,000	
9.	Building	15,000	
10.	Furniture	10,000	
11.	General expenses	10,500	
12.	Return outward		4,500
13.	Cash at bank	20,600	
14.		170,600	170,600

NOTE: stock was Tshs. 20,000