

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

THE CITY COUNCIL OF DODOMA

**HOME PACKAGE FORM FOUR EXAMINATION
BOOK KEEPING**

062

TIME: 3:00 hours

APRIL, 2020

INSTRUCTIONS

1. This paper consists of section A, B and C.
2. Answer ALL questions.
3. Working should be shown clearly.
4. Write your number in every page of your answer sheet.

SECTION A (20 Marks)

1. Choose the most correct answer from the following alternative answers in (i-x) and write the letter in the box provided beside.
 - (i) The transfer of value from one person to another
 - A) Transfer
 - B) Distribution
 - C) Transportation []
 - D) Recording
 - E) Transaction.
 - (ii) The account of properties the company own is known as _____ account
 - A) Personal
 - B) Norminal
 - C) Imperson []
 - D) Real
 - E) Assets
 - (iii) A person selling goods on behalf of the principal is called
 - A) Partner
 - B) Auditor
 - C) Consignor []
 - D) Consignee
 - E) Wholesaler
 - (iv) The cost of goods sold is ascertained as
 - A) Closing stock + net purchases – opening stock
 - B) Opening stock + purchases return – closing stock
 - C) Opening stock + purchases – return outward []
 - D) Closing stock + purchases – opening stock
 - E) Opening stock + net purchase – closing stock.
 - (v) The entries for purchases of a calculating machinery for cash 11,700 will be

- A) debit Machinery account, credit cash book.
 B) debit purchases account, credit machinery account.
 C) debit purchases account, credit cash book. []
 D) credit purchases account, debit machinery account
 E) Debit cash account, credit machinery account.
- (vi) A balance of an account can be defined as the
 A) Balance carried down
 B) Difference between two sides of an account
 C) Total amount of debit side and credit side []
 D) Balance brought down
 E) Balancing figure of an account.
- (vii) Ambit of vote can be defined as
 A) An annual accounting period
 B) The government bank account operated by payment general and kept by the bank of Tanzania.
 C) The maximum amount of money which the accounting officer can spent on his vote.
 D) The direct charge on the income of a tax payer.
 E) The minimum amount of money spent by an accounting officer. []
- (viii) The entries of purchases of goods on credit from R. Kipenyo for 4500/= will be as follows:
 A) Debit purchases account, credit R. Kipenyo account.
 B) Credit purchases account, debit cash book.
 C) Debit purchases account, credit cash book.
 D) Credit purchases account, debit R. Kipenyo account. []
 E) Credit cash account, debit purchases account.
- (ix) The cost of borrowing money is called
 A) Tax
 B) B) interest
 C) C) duty
 D) D) price []
 E) E) profit
- (x) Working capital means
 A) Total of fixed assets plus current assets.
 B) Excess of current assets over current liabilities.
 C) Amount of capital invested by the proprietor []
 D) Capital less drawing.

2. MATCHING ITEMS

Match the items in List A with the response in List B by writing the letter of the corresponding response beside the item number.

LIST A.

- (i) The person appointed by the pay master general in writing and charged with the duties and responsibilities for the collection and accounting of public money.
- (ii) The period which begins on 1st July of the current year and ends 30th June of the succeeding year.
- (iii) Are payments for which the government has received no value.
- (iv) The over-all fund of the United Republic to which all public money receipts are paid and from which all expenditure funds for government activities.

- (v) Public Revenue of any trust or other moneys held whether temporarily or otherwise by an officer.
- (vi) A fund set aside for unforeseen events
- (vii) Any person in the civil service appointed by the president of the United Republic of Tanzania to be in charge of controlling and auditing government accounts.
- (viii) The government account that is operated by the paymaster general and kept by the Bank of Tanzania.
- (ix) An officer appointed by the receiver of revenue in writing and charged with the duties of collecting and account of public money.
- (x) The person appointed by the Treasury in writing and assigned with accounting duties for which funds have been authorized for expenditure by the National Assembly.

LIST B.

- A. Nugatory Expenditure
- B. Consolidated Fund
- C. Public money
- D. Receiver of Revenue
- E. Collector of Revenue
- F. Government Accounting year
- G. Civil contiguous fund
- H. Controller and Auditor General
- I. Exchequer Account
- J. Account Office

i	ii	iii	iv	v	vi	vii	viii	ix	x

SECTION B (20%)

- 3. (a) Mention 5 objectives of book keeping.
(b) Mention 5 items which may cause the cash book balance to differ from bank statement.
- 4. Mr. Iddy is a sale trader who does not keep his books on the double entry system. From his records the following information was available.

31st March 1996 31st March 1997

Fixed assets	31,200	34,000
Current assets	39,900	42,600
Current liabilities	19,600	18,800

During the year ended 31st March 1997 Iddy used his private banking account to purchase additional office furniture costing 3,600/= and this was brought into his business. Also during the same period Iddy made drawings of 12,800/= in cash and 600/= in goods (cost price).

Required:

- (a) Calculate the amount of Iddy capital in both year.
- (b) Calculate his net profit or loss for the year ended 31st March 1997.

SECTION C (60%)

5. 1000 cases of goods costing 350,000/= were sent on consignment by XYZ Ltd to ABQ Ltd. On 1st January 2005. At the time XYZ paid delivery expenses of 10,000/= and insurance of 2000/= . On 1st March 2005 an interim account sales was received from ABQ Ltd, showing that 800 cases had been sold for 6,300/= each and that storage charges of 18,000/= and selling expenses of 10,000/= had been deducted from the account. After also deducting the commission on sales which was agreed at 5% of gross sales. ABQ Ltd settled the balance due to XYZ Ltd for good sold by a bank draft.
You are required
- (a) Account sales
 - (b) Consignment account.
6. The trial balance of Hassan failed to agree and the differences was placed in the suspense account. After that the following errors were discovered.
- (i) Purchases of goods from Gachoki for 120 had been credited to account of Gathori.
 - (ii) Machinery sold for 1200 had been correctly entered in the cash book but debited to Machine Account.
 - (iii) Discount allowed to a customer 75/= had been credited to discount received account.
 - (iv) An invoice of 8900/= received from a supplier was entered correctly in purchases day book, but was posted 9,800/= to the supplier's account.
 - (v) 930/= received from a customer had been entered in the cash book as 390/=.
 - (vi) A page in sales daybook had been overcast by 750/=.

Required:

- (a) Journal entries.
 - (b) Suspense account.
7. The following balances for the year ended 31st December, 1997.

Stock at 1 st January, 1997.	
Raw material	184,500
Work in progress	236,000
Finished goods	174,700
Purchases: Raw material	643,000
Carriage on raw materials	16,050
Direct labour	658,100
Office salaries	169,200
Rent & Rates	27,000
Office lighting and air conditioning	57,600
Depreciation: Work in progress	83,000
Office equipment	19,500
Sales	2,006,000
Factory fuel and power	59,200
Rent and Rates are to be apportioned, factory 2/3, office 1/3	
Stock at 31 st December, 1997 were:-	
Raw materials	202,100
Work in progress	173,900
Finished goods	214,850

Required: Manufacturing trading profit & Loss A/c.

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