

**ISESE**

**FORM FOUR PRE-NECTA 01 BOOK KEEPING MARKING GUIDE**

SECTION A (15 MARKS)

1.

@ 1 Mark = 10 marks

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

2. @ 1Mark = 5 marks

Column A	i	li	lii	iv	V
Column B	D	A	H	F	A

SECTION B (40 MARKS)

3. DR

ADJUSTED CASH BOOK

CR

Date	Details	f	Amount	Date	Details	f	Amount
	Balance	b/d	420,000		Bank charges		18,000
	Bank interest		15,000		Standing orders		145,000
	Direct deposit		120,000		Balance	c/d	392,000
			<u>555,000</u>				<u>555,000</u>
	Balance	b/d	392,000				

BANK RECONCILIATION STATEMENT AS AT 31<sup>ST</sup> DEC, 2008

Balance as per cash book 392,000

ADD: Unpresented cheques 104,000

496,000

LESS: Uncredited cheques 100,000

Balance as per bank statement 396,000

**(16 ticks @ 0.625 mark = 10 marks)**

4. Importance or objectives of studying book keeping

- i. Business control
- ii. Fair tax assessment
- iii. Determination of profit or loss
- iv. Knowledge on credit dealing
- v. Determination of financial position of a business **(@ 2 marks = 10 marks)**

5. **(5 items @ 2 marks = 10 marks)**

- i. Margin =  $\frac{\text{Gross profit}}{\text{Sales}} \times 100$

Opening stock + purchases – closing stock = COGS

72,000 + 260,000 – 50,000 = 282,000

Sales – cost of goods sold = Gross profit

600,000 – 282,000 = 318,000

Margin =  $\frac{318,000 \times 100}{600,000}$

= 53%

ii. Markup =  $\frac{\text{Gross profit} \times 100}{\text{Cost of goods sold}}$

=  $\frac{318,000 \times 100}{282,000}$  = 113%

iii. Return on capital =  $\frac{\text{Net profit}}{\text{Capital employed}} \times 100$

Net profit = Gross profit – Expenses

= 318,000 – 40,000

= 278,000

Capital employed = Working capital – Current liability

= 180,000 – 148,000

= 32,000

Capital employed = 32,000 + 400,000

= 432,000

iv. Working capital ratio =  $\frac{\text{Current assets}}{\text{Current liabilities}}$

=  $\frac{180,000}{148,000}$

= 1.2:1

v. Rate of stock turnover =  $\frac{\text{Cost of goods sold}}{\text{Average stock}}$

Average stock =  $\frac{\text{Opening stock} + \text{Closing stock}}{2}$

Average stock =  $\frac{72,000 + 50,000}{2}$  = 61,000

Rate of stock turn over =  $\frac{282,000}{61,000}$

= 4.62 times

6. MWAISUMO

PURCHASES DAY BOOK

Particulars	Invoice details	Invoice total
2015		
May 10: <u>Grecy</u>		
Text book of Commerce	10 x 2000 = 20,000	
Text book of Physics	40 for 10,000	30,000
May 21: <u>Furahini</u>		
Mathematics book	5 x 1000 = 5,000	
Past papers	21 x 100 = 2,100	
Dozens of note books	24 x 200 = <u>4,800</u>	
	11,900	
Less: 2% Trade discount	2/100 x 11,900 <u>238</u>	11,662
Purchases A/C GL		<u>41,662</u>

PURCHASES RETURNS DAY BOOK

Particulars	Credit note details	Credit note total
2015		
May 15: Text book- Commerce	2 x 2,000 =	<u>4,000</u>
Purchases returns A/C		<u>4,000</u>

(10 Ticks @ 1 Mark = 10 marks)

SECTION C (45 MARKS)

7. INCOME STATEMENT FOR THE YEAR ENDING 28<sup>TH</sup> FEB 2017

DETAILS	TZS	TZS
Sales		157,165
LESS: Cost of goods sold		
Opening stock	4,120	
Add: Purchases	<u>92,800</u>	
Cost of goods available for sale	96,920	
Less: Closing stock	<u>2,400</u>	<u>94,520</u>
Gross profit		62,805
Add: Discount received		<u>160</u>
Total incomes		62,805
LESS: Wages and salaries	31,740	
Rent	3,170	
Discount allowed	820	
Van running cost	687	
Bad debts written off	730	
Provision for doubtful debts	91	
Depreciation: Office furniture	380	
Delivery van	<u>1,250</u>	<u>(38,868)</u>
Net profit		<b>23,937</b>

STATEMENT OF FINANCIAL POSITION AS AT 28<sup>TH</sup> FEB, 2013

DETAILS	TZS	TZS	TZS
<u>Non – current assets</u>			
Office furniture		2,900	
Less: Depreciation		<u>380</u>	
			2,520
Deliver van		3,750	
Less: Depreciation		<u>1,250</u>	<u>2,500</u>
Total fixed assets			5,020
<u>Current assets</u>			
Closing stock		2,400	
Debtors	12,316		
Less: Provision for doubtful debts	<u>496</u>	11,820	
Cash at bank		4,100	
Cash in hand		324	
Rent prepaid		<u>230</u>	
Total current assets			<u>18,874</u>
TOTAL ASSETS			<b><u>23,894</u></b>
<u>EQUITY AND LIABILITIES</u>			
Capital		11,400	
Add: Net profit		<u>23,937</u>	
		35,337	
Less: Drawings		<u>17,100</u>	
Net capital			18,237
<u>Current liabilities</u>			
Creditors		5,245	
Wages and salaries accrued		340	
Van running cost owing		<u>72</u>	
Total current liabilities			<u>5,657</u>
Total equity and liabilities			<b><u>23,894</u></b>

**(45 Ticks @ 0.33 mark = 15 marks)**

## 8. GENERAL JOURNAL

S/N	DETAILS	DEBIT	CREDIT
a.	Purchases account Suspense account	1,000	1,000
b.	Suspense account Wages account	36	36
c.	Suspense account Irene Namaganda account	1,000	1,000

d.	Suspense account J. Okello account	2,000	2,000
e.	Fixture account Suspense account	5,000	5,000

DR		SUSPENSE ACCOUNT		CR
Balance	b/d	2,964	Purchases	1,000
Wages		36	Fixtures	5,000
Irene Namaganda		1,000		
J. Okello		2,000		
		<b>6,000</b>		<b>6,000</b>

(16 Ticks @ 0.9375 = 15 Marks)

9. A.

a. DR		BAD DEBTS ACCOUNT		CR
2017: Debtors	50,000	Income statement	204,000	
2018: Debtors	42,000			
2019: Debtors	60,000			
2020: Debtors	52,000			
	<b>204,000</b>		<b>204,000</b>	

b. DR			PROVISION FOR BAD DEBTS ACCOUNT			CR
Date	Details	Amount	Date	Details	Amount	
31.12.2017	Balance c/d	<u>19,500</u>	31.12.2017	Income statement	<u>19,500</u>	
		<u>19,500</u>			<u>19,500</u>	
31.12.2018	Income statement	8,340	1.1.2018	Balance b/d	19,500	
31.12.2018	Balance c/d	<u>11,160</u>				
		<u>19,500</u>			<u>19,500</u>	
			1.1.2019	Balance b/d	11,160	
31.12.2019	Balance c/d	<u>29,600</u>	31.12.2019	Income statement	18,440	
		<u>29,600</u>			<u>29,600</u>	
			1.1.2020	Balance b/d	29,600	
31.12.2020	Balance c/d	<u>29,900</u>	31.12.2020	Income statement	300	
		<u>29,900</u>			<u>29,900</u>	

c. INCOME STATEMENT FOR THE YEAR ENDING 31<sup>ST</sup> DEC 2020

**INCOMES:**

Provision for bad debts (decrease) 8,340

**EXPENSES:**

Bad debts 204,000

Provision for bad debts 19,500

Provision for bad debts	18,440
Provision for bad debts	300

d. STATEMENT OF FINANCIAL POSITION

Current Assets

2017: Debtors	650,000	
LESS: Provision for bad debts <u>19,500</u>	630,500	
2018: Debtors	558,000	
LESS: Provision for bad debts <u>11,160</u>	546,840	
2019: Debtors	740,000	
LESS: Provision for bad debts <u>29,600</u>	710,400	
2020: Debtors	598,000	
LESS: Provision for bad debts <u>29,900</u>	568,100	

**(40 Ticks @ 0.3 mark = 12 marks)**

B.

i. Depreciation **1 mark**

**ii. Causes of depreciation**

- Exhaustion
- Inadequacy
- Wear and tear
- Accident
- Fall in market value **0.5 @ 4 = 2 Marks**



**INTERSECONDARY SCHOOLS EXAMINATION SERIES**  
**ISESE TIME TABLE**  
**FORM TWO PRE – NATIONAL No.04**  
**20<sup>th</sup> – 30<sup>th</sup> September 2024**

DAY & DATE	MORNING SESSION (A.M)			AFTERNOON SESSION (P.M)		
	CODE NO.	SUBJECT	TIME	CODE NO.	SUBJECT	TIME
Friday 20/09/2024	013	Geography	8:00 – 10:30	011	Civics	2 : 00 - 4 :30
Monday 23/09/2024	033	Biology	8:00 – 10:30	021	Kiswahili	2 : 00 - 4 :30
Tuesday 24/09/2024	041	Basic mathematics	8:00 – 10:30	012	History	2 : 00 - 4 :30
Wednesday 25/09/2024	022	English language	8:00 – 10:30	032	Chemistry	2 : 00 - 4 :30
Thursday 26/09/2024	031	Physics	8:00 – 10:30			2 : 00 - 4 :30
Friday 27/09,2024	062	Book-keeping	8:00 – 10:30			2:00 – 4:30
Monday 30/09/2024c	061	Commerce	8:00 – 10:30			2:00 – 4:30

**KUSHIRIKI PRE-NECTA HIZI WASILIANA NA COORDINATOR 0624 254 757 (UNAWEZA KUSHIRIKI SOMO MOJA AMA ZAIDI)**



**INTERSECONDARY SCHOOLS EXAMINATION SERIES**  
**ISESE TIME TABLE**  
**FORM FOUR PRE – NECTA No.04**  
**20<sup>th</sup> – 30 September 2024**

DAY & DATE	MORNING SESSION (A.M)			AFTERNOON SESSION (P.M)		
	CODE NO.	SUBJECT	TIME	CODE NO.	SUBJECT	TIME
Friday 20/09/2024	011	Civics	8:00 – 11:00	022	English	2 : 00 - 5 :00
Monday 23/09/2024	033/1	Biology 1	8:00 – 11:00	012	History	2 : 00 - 5 :00
Tuesday 24/09/2024	041	Basic mathematics	8:00 – 11:00	021	Kiswahili	2 : 00 - 5 :00
Wednesday 25/09/2024	013	Geography	8:00 – 11:00	032/1	Chemistry 1	2 : 00 - 5 :00
Thursday 26/09/2024	031/1	Physics 1	8:00 – 11:00			2 : 00 - 5 :00
Friday 27/09,2024	061	Commerce	8:00 – 11:00			2 : 00 - 5 :00
Monday 30/09/2024c	062	Book-keeping	8:00 – 11:00			2 : 00 - 5 :00

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