

Candidate's Examination Number.....

SMZ

ZANZIBAR EXAMINATIONS COUNCIL

FORM THREE ENTRANCE EXAMINATION

061

BOOK KEEPING

TIME 2:30 HOURS

THURSDAY 12th DECEMBER, 2019 A.M

INSTRUCTIONS TO CANDIDATES

1. This paper consists of three (3) sections A, B and C.
2. Answer ALL questions in this paper.
3. ALL answers must be written in the spaces provided.
4. Write your examination number on every page.
5. Calculators and cellular phones are not allowed in the examination room.
6. Use a blue or black pen in writing and drawing must be in pencil.

FOR EXAMINER'S USE ONLY		
QUESTION NUMBER	MARKS	SIGNATURE
1		
2		
3		
4		
5		
6		
7		
8		
TOTAL		

This paper consists of 16 printed pages

SECTION A: (20 Marks)

Answer ALL questions from this section.

1. For each of the items (i-x), choose the correct answer from the given alternatives and write its letter in the table below.
 - i) Which of the following describes the fixed assets?
A: Items bought to be used in the business
B: Items which will not wear quickly
C: Expensive items bought for the business
D: Items having long life in the business and not bought for resale
 - ii) Net profit is calculated in
A: The trading account
B: The profit and loss account
C: The trial balance
D: The balance sheet
 - iii) How do assets in affirm increase?
A: Through selling some assets
B: Through buying
C: Through disposing
D: None of these
 - iv) Credit transactions are defined as
A: Entries recorded on the credit side of an account
B: Creditor's transaction
C: Transactions made for future payments
D: Transactions for credit note
 - v) Which of the following concepts distinguish the business from owner?
A: The cost concept
B: The dual aspect concept
B: The business entity
D: The money measurements

- vi) A business transaction is defined as
 A: The information related to buying and selling of goods
 B: The art of keeping book accounts
 C: The movement of money or money worth from one person to another
 D: None of the above
- vii) An expenditure which aims to meet development project of the government is referred to
 A: The Recurrent expenditure B: The Capital expenditure
 C: The Public expenditure D: The nugatory expenditure
- viii) CAG is the person appointed by
 A: The President to watch the public fund
 B: The Ministry of Finance to control the issue of Public money
 C: The treasury to collect and account the public money
 D: An accounting officer to incur and control public expenditure
- ix) The charges which have been credited in the cash book but have not been debited in the bank are known as
 A: Unpresented cheque B: Uncredited cheque
 C: Dishonored cheque D: State cheque
- x) Which of the following is a liability?
 A: Office furniture B: Creditors
 C: Debtors D: Cash at hand

ANSWERS

i	ii	iii	iv	v	vi	vii	viii	ix	x

2. Match the definitions of terms in bookkeeping in column A with the responses in column B by writing the letter of the correct answers in the table below.

COLUMN A	COLUMN B
i. The book used to record small amount paid in cash.	A: Debit note
ii. A person who keep records in the petty cash book.	B: Credit note
iii. Amount of money at which a petty cash start with for each period.	C: Cash book
iv. The amount of enough cash to meet the petty cash needs for the following period.	D: Petty cash book
v. A document sent to a supplier showing the allowances to be paid for unsatisfactory goods.	E: Total expenditure
vi. A document sent to a customer showing the allowances given by a supplier in respect of unsatisfactory goods.	F: Petty cash expenditure
vii. The cost of transport of goods into the business.	G: A cashier
viii. The cost of transport of goods out to customers of a business.	H: A petty cashier
ix. The voucher used to record small payments.	I: Carriage outward
x. The Final expenditure where the funds come from petty cash book.	J: Carriage inward
	K: Petty cash float
	L: Petty cash voucher
	M: Imprest system
	N: Return outward
	O: Return inward
	P: Purchase book

ANSWERS

i	ii	iii	iv	v	vi	vii	viii	ix	x

SECTION B :(20 marks)

Answer ALL questions from this section.

3. Briefly explain the following terms

- | | |
|------------------|-----------------------------------|
| a) Liability | b) Controller and Auditor General |
| c) Bank charges: | d) Trade discount |
| e) Trial balance | |

4. a) What is meant by the term Imprest system?

b) Given that,

Opening balance (imprest system)	5000/=
Balance of petty cash at the end of week	1543/=
Amount paid out during a week	3457/=
Required to,	

i) Calculate the amount drawn from main cash book.

ii) Determine the balance to be carried down to next week.

SECTION C: (60 Marks)

Attempt ALL questions in this section

5. (a) Mention five (5) reasons for the banks to dishonor a cheque even if the drawer has enough money in his account.
- (b) ZCSS enterprises had a cash book showed a debit balance of Tsh 786,000 at the bank account on 30th June 2018 while the bank statement on 30th June, 2018 showed a credit balance of Tsh 1,378,000. In comparing the cash book with the bank statement the following differences had been observed:
- Uncredited cheque of Tsh 152,000.
 - Unpresented cheques of Tsh 568,000.
 - Bank charges of Tsh 10,000 appeared on the bank statement but not in the cash book.
 - A standing order Tsh 10,000 payable on 28th June had been paid by the bank but no entry had been made in the cash book.
 - Interest of Tsh 196,000 credited by the bank to ZCSS's current
 - Account but no entry had been made in the cash book.

By using the information provided above,

- (i) Adjust the cash book to show the correct balance
- (ii) Prepare a bank reconciliation statement as at 30th June, 2018 using balance as per cash book.

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- 6 The following were the balances extracted from the books of TUJUANE as on March 31, 2016:

TRAIL BALANCE AS AT 31 ST MARCH 2016		
	DR	CR
	Tsh	Tsh
Cash in hand	70,000	
Purchases and Sales	253,000	330,000
Carriage on sales	14,000	
Carriage on purchases	26,000	
Debtors and Creditors	62,500	47,000
Returns	10,000	3,000
Drawings and Capital	45,000	379,500
Rent		7,000
Commission	12,000	
Bad debts	11,000	
Discounts	1,000	3,500
Salaries and wages	2,800	
Opening inventory	10,000	
Bank charges	3,700	
General expenses	5,000	
Loan from PBZ		80,000
Depreciation on machinery	4,000	
Buildings	120,000	
Machinery	200,000	
	<u>850,000</u>	<u>850,000</u>

Closing inventory is Tsh 15,000.

You are required to prepare:

- (i) The income statement for the year ended March 31, 2016.
- (ii) The statement of financial position as at March 31, 2016.

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7. D Madgett is a sole trader. He has just completed his accounts for the year ended 31 May 2010.
- His net profit for the year was calculated as Tsh 176,000. However, during the following month these errors were discovered:
- (i) Sales of goods on credit for Tsh 43,000 to B Street were credited to both accounts.
 - (ii) Returns inwards of Tsh 65 were credited to returns outwards as Tsh 9,500.
 - (iii) Motor expenses of Tsh 14,500 were debited to motor expenses as Tsh 15,400.
 - (iv) A sale of an old motor van for Tsh 58,000 was treated as a sale of stock by mistake.
 - (v) Wages of Tsh 76,000 paid by cash was entered in the wrong side of both accounts.

Required:

- (a) Show the corrections needed for the above errors in the Journal. **Narrations are not required**
- (b) Open up a suspense account and make entries as appropriate in correcting the errors thus showing the correct opening balance on the suspense account.
- (c) Produce a statement of corrected net profit.

[illegible]

[illegible]

[illegible]

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