

**CHRISTIAN SOCIAL SERVICES COMMISSION (CSSC)
NORTHERN ZONE JOINT EXAMINATIONS SYNDICATE (NZ-JES)**



**FORM SIX PRE-NATIONAL EXAMINATIONS 2026
153/2 ACCOUNTANCY 2**

MARKING SCHEME

1. Differences between Internal and External Auditors.

Points	Internal Auditor	External Auditor
Objectives.	To ensure that internal control system exist and is working effectively.	To give an opinion whether financial reports present true and fair view of the affairs of the organization
Appointment	Employed by Management	Appointed by Shareholder
Status	Employee or part of the organization	Not a part of organization
Reporting	Report to the Management	Report to the Shareholders or owner of the company.
Removal	Removed by the Management	Can be removed by the Shareholder or Owner of the firm.
Independent.	Less independent compared to the external auditor	More independent

@ 2 Marks = 10 Marks.

01 Note: Answer suppose to be in explanation form.

Q2. Advantage of Computerized Accounting System.

- i) Accuracy.
- ii) Speed.
- iii) Security
- iv) Cost efficient.
- v) Improve morale of working.

@ 2 Marks = 10 Marks.

In the books of M/gantani. @ 0.5 Mark = 10 Mark.

Q3.

Dr. Chai Trader Account Cr

Detail	Amount	Detail	Amount
Sales	270,00,000	Bank	90,00,000 ✓
Hire purchase interest	27,00,000	Bank	87,00,000 ✓
		Bal B/d	120,00,000 ✓
	297,00,000		297,00,000 ✓
Balanc B/d	120,00,000	Van Repassment.	88,20,000 ✓
H/p Interest	18,00,000	Bal B/d	49,80,000 ✓
	138,00,000		138,00,000 ✓
Balanc B/d	49,80,000		
Dr		Repassed Stock/Van B/d	
Details	Amount	Detail	Amount
Chai Trader's cash (Repairs)	88,20,000	Cash (Resale)	92,00,000
Income Statement	2,00,000		
	1,80,000		
	92,00,000		92,00,000 ✓
	3		

Dr.		Ordinary Share Account		Cr
Balance b/d	140,000 ✓	Balance b/d	100,000 ✓	
		Ordinary Share Applicant	49,000 ✓	
	140,000 ✓		140,000 ✓	

Dr.		Ordinary Share Applicant		Cr
Details	Amount	Detail	Amount	
Share Capital	40,000 ✓	Bank	42,000 ✓	
Share premium	2,000 ✓		42,000 ✓	
	42,000 ✓			

Dr.		Bank		Cr
Balance b/d	49,000 ✓	Preference Shareholder	55,000 ✓	
Application	42,000 ✓	Bal b/d	36,000 ✓	
	91,000 ✓		91,000 ✓	

Dr.		Preference Shareholder		Cr
Bank	55,000 ✓	Preference Share Capital	50,000 ✓	
		Premium on Redemption	5,000 ✓	
	55,000 ✓		55,000 ✓	

Dr.		Preference Share Capital A/c		Cr
Preference Shareholder	50,000 ✓	Balance b/d	50,000 ✓	

Dr.		Share Premium Account		Cr
Balance b/d	2,000 ✓	Ordinary Share Appl	2,000 ✓	

4	Dr. Premium on Redemption	5000	Income Statement	5000
	Preferential Shareholder	5000		
	Dr. Capital Redemption Reserve	5000	Income Statement	5000
	Balance	5000		

@ 0.3571 = 10 Marks

39 marks @ 0.513 mark = 20 marks

Payroll Summary

Q5	Basic pay	Gross pay	Deductions				Net pay
			Woman	Advance	PSPF	Income tax	
Mariam	200,000	210,000	20,000	50,000	20,000	15,500	204,500
Simon	192,500	236,750			19,250	15,675	201,825
Tupare	176,000	208,600			17,600	12,860	178,140
Total	568,500	755,350	20,000	50,000	56,850	44,035	584,465

General Journal

	DR	CR
Salary Expense	755,350	
Woman charity		20,000
Salary Advance		50,000
PSPF		56,850
PAYE		44,035
Salary payable		584,465
PSPF employer	56,850	
PSPF Expense		56,850
Woman charity	20,000	
PSPF	113,700	
PAYE	44,035	
Salary payable	584,465	
Bank		762,200
Income Statement	762,200	
Salary Expenses		762,200

86. Dr

Revaluation %

Cr

Stock
 Prov for Bad debt
 Furniture

7,500 ✓
 1,000 ✓
 5,000 ✓

Building

50,000

Profit on Rev.
 Shikama 21,900 ✓
 Tengan 14,600 ✓

36,500 ✓
 50,000 ✓

50,000 ✓

Dr

Partners Capital %

Cr

Details	Shikama	Tengan	Singama	Detail	Shikama	Tengan	Singama
Balanc b/d	311,900	164,600	160,000	Balanc b/d	290,000	150,000	160,000
				cash	-		
				profit on Rev	21,900	14,600	
					311,900	164,600	160,000
				Bal b/d	311,900	164,600	160,000

Q6.

Statement of Financial Position.

	Shs	Shs	Shs
<u>Non-current Asset:</u>			
Machinery		190,000 ✓	
Building		400,000 ✓	
Furniture		45,000 ✓	635,000 ✓
<u>Current Asset</u>			
Stock		142,500 ✓	
Prepaid insurance		15,000 ✓	
Debtor	94,000 ✓	89,000 ✓	
Loss provision for Bad debt	5,000 ✓		
Cash		180,000 ✓	
		426,500 ✓	
<u>Less: Current liabilities</u>			
Outstanding liabilities	40,000 ✓	425,000 ✓	1,500 ✓
Creditors	385,000 ✓		636,500 ✓
<u>Financed by Capital:</u>			
Shikama		311,900 ✓	
Tengara		164,600 ✓	
Sinjema		160,000 ✓	636,500 ✓

43 ticks @ 0.4651 Mark
= 20 Mark

Q7:

52 ticks @ 0.384 marks

= 20 marks

(i) CASES STOCK ACCOUNT

Details	Qty	Rate	Amount	Details	Qty	Rate	Amount
Balance b/f w/House Customer	1000	5	5000	Case kept	1500	5	7500
Purchases	3000	5	15000	Damaged	1000	5	5000
	2000	6	12000	Damaged/sold	500	5	2500
				Depreciation			2000
				Bal c/d w/House Customer	850	5	4250
					3500	5	17500
	6000		32000		6000		32000
Balance b/f w/House Customer	850	5	4250				
	3500	5	17500				

(ii) CASES SUSPENSE A/c

	Qty	Rate	Amount		Qty	Rate	Amount
Cases Returned	23000	8	184000	Balance b/f	3000	8	24000
Cases Retained	1500	8	12000	Cases Sent	25000	10	250000
Hiring charge			50000				
Balance c/d	3500	8	28000		28000		274000
	28000		274000	Balance b/f	3500		28000

(iii) Cases Income Statement for the year ended 31 Dec 2019

Hiring charge 50000
 Profit on Cases Kept (8-5) 15000 45000
 Income Cases Damaged & sold (50x2) 1000
54600

Less: expenses 1400
 Repair 500
 Damaged & sold 250
 Depreciation 2000
4150

52 ticks @ 0.384 marks

- 20 marks

Q7:

(i) CASES STOCK ACCOUNT

Details	Qty	Rate	Amount	Details	Qty	Rate	Amount
Balance b/f - w/House Customer	1000	5	5000	Case kept	1500	5	7500
	3000	5	15000	Damaged	1000	5	5000
Purchases	2000	6	12000	Damaged/sold	500	5	2500
				Depreciation			2000
				Balance w/House Customer	850	5	4250
					3500	5	17500
	6000		32000		6000		32000
Balance b/f w/House Customer	850	5	4250				
	3500	5	17500				

(ii) CASES SUSPENSE A/c

	Qty	Rate	Amount		Qty	Rate	Amount
Cases Returned	23000	8	184000	Balance b/f	3000	8	24000
Cases Retained	1500	8	12000	Cases Sent	25000	10	250000
Hiring charge			50000				
Balance c/d	3500	8	28000		28000		274000
	28000		274000	Balance b/f	3500		28000

(iii) Cases Income Statement for the year ended 31 Dec 2019

Hiring charge	50000
Profit on Cases Kept (8-5) 15000	45000
Income Cases Damaged & sold (50x2)	1000
	<u>54600</u>
Less: expenses	
Repair	1400
Damaged Repair	500
Damaged & sold	250
Depreciation	2000
	<u>4150</u>
	50450
	8

D8: Royalty table.

Year	Output	Royalty	Minimum Rent	Shortworkings	Receivable	SW written off	Payment
2010	4000	1600,000	2000,000	400,000	-	-	2000,000
2011	4800	1920,000	2000,000	80,000	-	-	2000,000
2012	5400	2160,000	2000,000	-	160,000	240,000	2,000,000
2013	5600	2,240,000	2000,000	-	80,000	-	2,160,000
2014	6000	2,400,000	2000,000	-	-	-	2400,000

Table = 2 marks.

Royalties Payable A/c

31/12/2010: Min Rent	1600,000	31/12/2010: Manuf.	1600,000
31/12/2011: Min Rent	1920,000	31/12/2011: Manuf.	1920,000
31/12/2012: Civil estate	2160,000	31/12/2012: Manuf.	2160,000
31/12/2013: Civil estate	2240,000	31/12/2013: Manuf.	2240,000
31/12/2014 Civil estate	2400,000	31/12/2014: Manuf.	2400,000

Minimum Rent A/c

31/12/2010: Civil estate	2000,000	31/12/2010: Royalty Payable	1600,000
		31/12/2014: Shortworkings	400,000
	<u>2000,000</u>		<u>2000,000</u>
31/12/2011: Civil estate	2000,000	31/12/2011: Royalty Payable	1920,000
		Shortworkings	80,000
	<u>2000,000</u>		<u>2000,000</u>

Dr. Civil Estate A/c		Cr
Bank	<u>2000,000</u>	31.12.2010 Min Rent <u>2000,000</u> ✓
Bank	<u>2000,000</u>	31.12.2011 Min Rent <u>2,000,000</u> ✓
31.12.2012 Bank	2000,000	31.12.2012 Royalty pay. <u>2,160,000</u>
Shortworking	<u>160,000</u>	
	<u>2,160,000</u>	
31.12.2013 Bank	2160,000 ✓	31.12.2013 Royalty pay <u>2,240,000</u>
31.12.2013 Shortworking	80,000 ✓	
	<u>2,240,000</u>	
31.12.2014 Bank	<u>2,240,000</u>	31.12.2014 Royalty payable <u>2,240,000</u>

Dr. Short working A/c		Cr
31.12.2010 Min Rent	<u>400,000</u>	31.12.2010 Balance c/d <u>400,000</u>
1.1.2011 Balance b/d	400,000	31.12.2011 Bal c/d <u>480,000</u>
31.12.2011 Minimum Rent	<u>50,000</u>	
	<u>450,000</u>	
1.1.2012 Balance b/d	480,000 ✓	31.12.2012 Civil estate <u>160,000</u>
		31.12.2012 Income Statement <u>240,000</u>
		31.12.2012 Balance c/d <u>80,000</u>
	<u>480,000</u>	
1.1.2013 Balance b/d	80,000 ✓	31.12.2013 Civil estate <u>80,000</u>

51 ticks @ 0.36 = 18 marks