



**THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY  
NATIONAL EXAMINATIONS COUNCIL OF TANZANIA**



**CANDIDATES' ITEM RESPONSE ANALYSIS  
REPORT ON THE CERTIFICATE OF SECONDARY  
EDUCATION EXAMINATION (CSEE) 2020**

**BOOK KEEPING**



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**062 BOOK KEEPING**

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## **FOREWORD**

The National Examinations Council of Tanzania (NECTA) is pleased to issue the Candidates' Item Response Analysis (CIRA) report on the Certificate of Secondary Education Examination (CSEE), 2020 in Book Keeping subject. The report has been prepared to provide feedback to teachers, students, parents, policy makers and the public in general on the performance of the candidates in the subject and to suggest proper measures to be taken in order to improve the candidates' performance in future examinations administered by the National Examination Council of Tanzania.

The analysis presented is intended to contribute towards the understanding of some of the reasons for the performance of the candidates in Book Keeping subject. It gives emphasis mainly on the analysis of candidates' performance in every question, thus the sample responses from candidates' scripts and the statistical data are used for wide elaboration. Furthermore, the report focuses on identifying the strengths and weaknesses of the candidates' responses to questions in different examined topics. The report also highlights some of the factors which made the candidates fail to score high marks in the questions. The factors observed include, insufficient knowledge of basic concepts of Book Keeping and failure to identify the demands of the questions that led them to provide incorrect and incomplete responses and skipping some of the questions.

The National Examinations Council of Tanzania presumes that the feedback provided in this report will enable education stakeholders to identify appropriate measures to be taken in order to improve the candidates' performance in future examinations administered by the Council. The report provides recommendations that are expected to be useful to students and teachers in improving the teaching and learning process.

The National Examinations Council of Tanzania would like to sincerely acknowledge examinations officers and everyone who participated in the preparation of this report.



Dr. Charles E. Msonde  
**EXECUTIVE SECRETARY**

## 1.0 INTRODUCTION

This report presents the performance of the candidates who sat for the Certificate of Secondary Education Examination (CSEE) in Book Keeping subject for the year 2020. The examination evaluated the knowledge and competences acquired by the candidates in their four years of secondary education as per the requirements of the 2016 syllabus.

The Book Keeping examination paper comprised of a total of nine questions distributed into three sections namely section A, B, and C. Section A consisted of 2 Questions (1 and 2); Question 1 had 15 marks while Question 2 had 5 marks, making a total of 20 marks. Section B consisted of 4 questions each carrying 10 marks, making a total of 40 marks. Candidates were required to answer all questions in sections A and B. Section C consisted of 3 questions each carrying 20 marks. Where candidates were required to answer two questions, making a total of 40 marks.

A total of 13,101 candidates sat for this examination in 2020, out of which 8,545 (65.84%) passed the examination with the following grades; Grade A, 225 (1.73%); Grade B, 598 (4.61%); Grade C, 3,267 (25.17%) and Grade D, 4,455 (34.33%). However, 4,434 (34.16%) candidates failed by scoring Grade F. The rate of performance of candidates in this year has increased by 12.78 per cent compared to the performance in 2019 in which out of 13,379 candidates who sat for the examination, 7,038 (53.06%) candidates passed.

The trend analysis shows that the candidates' performance rate in the Book Keeping subject has improved for the past four years from 40.82 per cent in the year 2017 to 65.84 per cent in 2020. Moreover, the analysis indicates that the number of candidates scoring Grade F has decreased from 10,948 candidates in the year 2017 to 4,434 in 2020. This suggests that for the past four years the Book Keeping subject teachers have improved their education delivery in schools. The following table shows the details of candidates' performance across the years 2017, 2018, 2019 and 2020.

Year	2017	2018	2019	2020
General Performance Rate (%)	40.82	44.67	53.06	65.84
Number of candidates scoring grade F	10,948	8,601	6,227	4,434
Percentage of candidates scoring grade F (%)	59.18	55.3	46.94	34.16

The report provides the analysis of the candidates' performance in each question. The minimum pass mark for each question was 30 percent. Therefore, the performance of candidates was considered weak if the candidates scored from 0 to 29 percent; average if scored from 30 to 64 percent; and good if scored from 65 to 100 percent of all the marks allocated in the question. Red, yellow and green colours are used to indicate weak, average and good performances respectively. The report also points out some possible reasons for the observed performance in each question. In addition, some extracts of candidates' responses and figures are inserted to illustrate the presented cases.

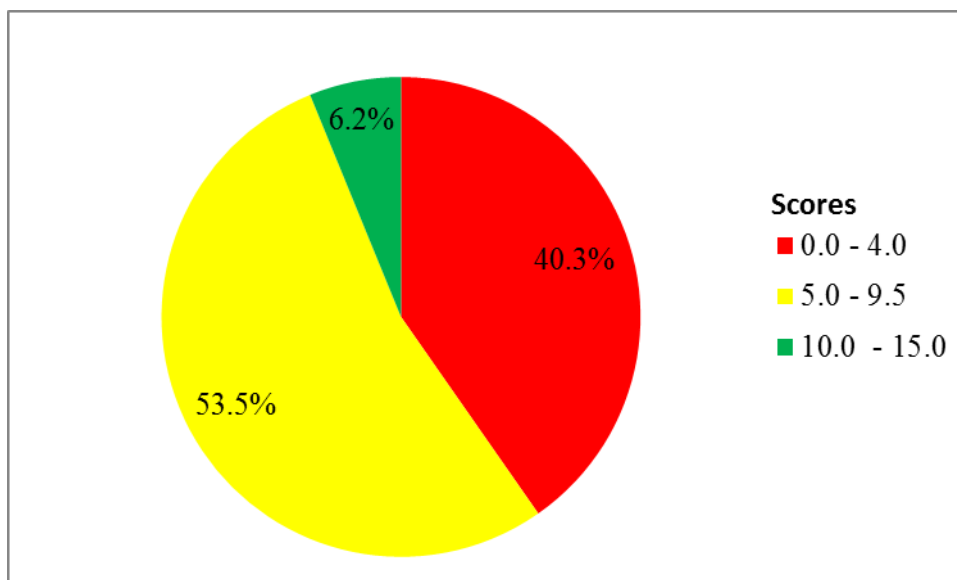
The National Examinations Council of Tanzania expects that the analysis presented in this report will enable education stakeholders to take appropriate measures in improving the teaching and learning of Book Keeping subject in schools.

## 2.0 ANALYSIS OF CANDIDATES' PERFORMANCE ON EACH QUESTION

### 2.1 Question 1: Multiple Choice

The question consisted of fifteen multiple choice items carrying a total of fifteen (15) marks. For each of the items (i) - (xv), the candidates were required to choose the correct answer from the five given alternatives and write the letter of the correct response beside the item number in the answer booklet provided. The question items were set from fourteen (14) topics namely: *Accounting for Joint Businesses, Consignments, Principle of Double Entry, Columnar Cash Books, Elementary Financial Statements, Books of Prime Entry, Bank Reconciliation, Trial Balance, Government Accounting and Budgeting, Adjustments, Control Accounts, Accounts for Manufacturing Firms, Accounts for Non Profit Making Organizations and Accounting for Department Stores.*

The question was attempted by 13,101 (100%) candidates, out of these 5,278 (40.3%) scored from 0 to 4 marks, 7,011 (53.5%) scored from 5 to 9 marks, and 812 (6.2%) scored from 10 to 15 marks. The candidates' performance on the question was thus average, as 7,823 (59.7%) candidates scored from 5 to 15 marks as Figure 1 shows below.



**Figure 1:** Candidates' performance on Question 1



In item (i), the candidates were required to identify an account to which the partners' share of profits must be entered if it is required to maintain fixed capital accounts. The correct response was D; *credited to partners' current account*. The candidates who opted for the correct response had sufficient knowledge of the conditions and accounting entries that are required for the maintenance of fixed partners' capital accounts. The candidates, who opted for the distractors, which were A; *debited to partners' capital accounts*, B; *credited to partners' drawings accounts*, C; *debited to partners' current accounts* and E; *credited to partners' capital accounts*, lacked knowledge of the conditions and accounting entries that are required for the maintenance of fixed partners' capital accounts. The analysis of the candidates' responses shows that a considerable proportion of the candidates who failed in this item opted for A. These candidates failed to understand that the partners' share of profits increases the capital of the partners; hence debiting it to capital accounts reduces the partners' capital balances. Maintenance of partners' fixed capital accounts does not allow any entry in the capital accounts which may increase or decrease the capital accounts balances. Alternative 'A' therefore cannot be the correct response to this item.

However, a few candidates selected C. These candidates failed to recognise that partners' share of profits increases capital of the partners; hence, debiting it to the partners' current accounts would mean reducing the partners' capital accounts balances since the partners' current accounts are a component of the capital account.

In item (ii), the candidates were required to identify a name of a statement containing particulars of the consignment. The correct response was C; *account sales*. The candidates who were able to identify the correct response had sufficient knowledge of the technical meaning of the term 'account sales' as used in the topic of Consignments. The candidates who lacked the knowledge of the meaning of the term 'account sales' selected incorrect responses which were A; *balance sheet*, B; *final accounts*, D; *consignment outwards*, and E; *profit and loss account*. These candidates lacked knowledge of the meaning of the term 'account sales' and failed to distinguish the account sales from the balance sheet, final accounts, consignment outwards and profit and loss account.

Item (iii) required the candidates to identify the meaning of a debit balance of TZS 5,000 in a cash account. The candidates who had sufficient

knowledge and practical skills of balancing off accounts selected the correct response which was D; *there was TZS 5,000 cash in hand*. The candidates who selected the distracters A, B, C or E lacked knowledge and competence in balancing off accounts. The candidates who opted for A *Cash has been overspent by TZS 5,000* failed to understand that cash account is used for recording the movement of actual cash available in the cash till; hence the business cannot spend cash over and above what is available. Likewise, those who selected C *The total of cash received was less than TZS 5,000* and E; *TZS 5,000 was the total of cash received* lacked the knowledge that the balance in the cash account does not represent cash received only, rather it represents the total amount of cash in hand available in the cash till at the balancing time. Moreover, the candidates who opted for B; *TZS 5,000 was the total of cash paid out* failed to recognize that the balance in the cash account does not represent the amount of cash paid out.

Item (iv) required the candidates to identify the amount of cash that will be reimbursed at the end of the period if TZS 5,410 is spent in the period given a designed cash float of TZS 7,000 and the opening cash float had been TZS 7,000. The candidates who had adequate knowledge on the preparation of petty cash book under the imprest system were able to identify the correct response which was A; *TZS 5,410*. The candidates who chose other alternatives lacked knowledge and practical skills of the preparation of petty cash book and the working of the imprest system. The imprest system requires that the amount equal to that spent in the period should be reimbursed to the petty cashier at the end of the period to restore him/her to the original amount (the cash float) with which he/she started the period. The distracters A, B, C, and D do not meet this requirement; hence they are not correct responses to this question.

Item (v), required the candidates to determine the amount of sales if the cost of goods sold is TZS 16,000 and the profit margin is 20%. The correct response was C; *TZS 20,000*. The candidates who selected this response had adequate knowledge and practical skills on the gross profit method of inventory estimation and determination of gross profit using the profit margin and mark up. However, the candidates who selected the incorrect alternatives lacked this knowledge and skills. These candidates could not realize that the gross profit margin of 20% cannot be applied directly on the given cost of goods sold of TZS 16,000 without changing it to a gross profit mark up or they failed to change it to a gross profit mark up; hence, they applied it directly to the 16,000 and calculated incorrect amounts of sales.

In item (vi), the candidates were required to identify a term which refers to the act of recording transactions in any subsidiary book. The correct response was E, *journalizing*. The candidates who got this question right had sufficient knowledge of the concept of journalizing. However, the candidates who failed in this item lacked knowledge of the concept of journalizing. For example, the candidates who selected A; *posting* lacked the knowledge of both terms; journalizing and posting. These candidates failed to distinguish journalizing from posting which refers to the transfer of accounting entries from the books of prime entry (subsidiary books) to their respective accounts in the ledger book. Moreover, the candidates who selected B, *double entry system*, failed to distinguish journalizing from double entry system. Double entry system is a system of recording financial transactions twice in the sets of accounts while Journalizing is the act of recording financial transactions in the books of prime entry/subsidiary books. The candidates who selected C; *transaction* and D; *balancing* failed to differentiate journalizing from transaction and balancing. Transaction refers to an event of exchange of value while balancing refers to the procedures involved in the determination of accounts balances.

Item (vii) required the candidates to select a term which refers to a cheque paid by a customer but not yet passed through the banking system. The candidates who were able to identify and choose the correct response E; *uncredited cheque* had sufficient knowledge of the concept of uncredited cheques. On the other hand, the candidates who failed in this item had poor knowledge of the technical meaning of uncredited cheques. The majority of candidates chose B; *dishonoured cheques*. These candidates lacked the knowledge of uncredited cheques and failed to distinguish uncredited cheques from dishonoured cheques. A dishonoured cheque is the one which is rejected for payment by the bankers because of a specified reason. The analysis of candidates' responses shows that a considerable minority of the candidates selected D; *unpresented cheque*. These candidates did not only lack the knowledge of uncredited cheques but also failed to distinguish uncredited cheques from the unpresented cheques.

In item (viii), the candidates were required to identify the primary objective of preparing a trial balance. The correct response was D, *to test the arithmetic accuracy of the ledger*. The candidates who selected the correct response D had adequate knowledge of the primary purpose of a trial balance. The candidates who selected other alternatives had limited knowledge of the main reason for the preparation of a trial balance.

Item (ix) required the candidates to identify a document which is used to deposit money in the current account. The correct response was B; *paying in slip*. The candidates who selected the correct response had sufficient knowledge of the technical meaning of the pay in slip. The candidates who selected incorrect alternatives had not mastered the documents used for depositing and withdrawing money from the bank current account.

Item (x) required the candidates to identify the main source of government revenue from the given alternatives. The correct response was C, *Taxes*. The candidates who were able to identify the correct response had sufficient knowledge of the sources of government revenues. The candidates who failed in this item lacked the knowledge of the main source of government revenue. The candidates who selected alternatives A; *royalties*, B; *penalties*, D; *interest* and E; *fees* failed to understand that revenue from taxes contribute a greater percentage in the government budgets compared to royalties, penalties, interest, and fees.

Item (xi) required the candidates to identify a statement from the given alternatives which provide interpretation of a credit balance brought down on a rent income account. The correct response was D; *Rent is owed by the business at that date*. The candidates who chose this response had adequate knowledge and understanding of the accounts balances and their implications. However, the candidates who selected incorrect responses had limited knowledge and understanding of the accounts balances and their implications. For example, the candidates who selected A; *Rent has been paid in advance at that date* and B; *Rent has been paid in excess of the required amount* failed to understand that rent paid by business is an expense to the business and is accordingly recorded in the rent expense account. If year-end adjustments are accurately done at the balancing time, rent paid in advance or in excess of the required amount in a rent expense account would mean a debit balance brought down in that account; not a credit balance as stated in the stem of the item.

Item (xii) required the candidates to choose a statement from the given alternatives which best describes the use of a control account. The correct response was A; *To check the arithmetical accuracy of ledgers*. The candidates who chose this response had adequate knowledge of the purpose of preparing the control accounts. Control accounts are prepared in order to ascertain the accuracy of the accounts balances in the ledger which the control account controls. The incorrect alternatives B, C, D, and E do not

provide the best description of the use of control accounts than alternative A. The candidates who selected the incorrect alternatives therefore, lacked this knowledge.

Item (xiii) required the candidates to identify the main reason for the preparation of a manufacturing account. The correct response was A; *to report all the costs incurred in producing goods and any profit realized*. The candidates who chose this response had enough knowledge of the primary purpose of preparing a manufacturing account/statement of manufacturing costs. However, the candidates who selected incorrect alternatives demonstrated lack of knowledge of the main reason for the preparation of a statement of manufacturing costs. For example, the candidates who selected B; *to record every transaction resulting in incomplete records* and D; *to deal with disposal of fixed assets* failed to realise that the alternatives B and D relate to topics other than Accounts for Manufacturing Firms.

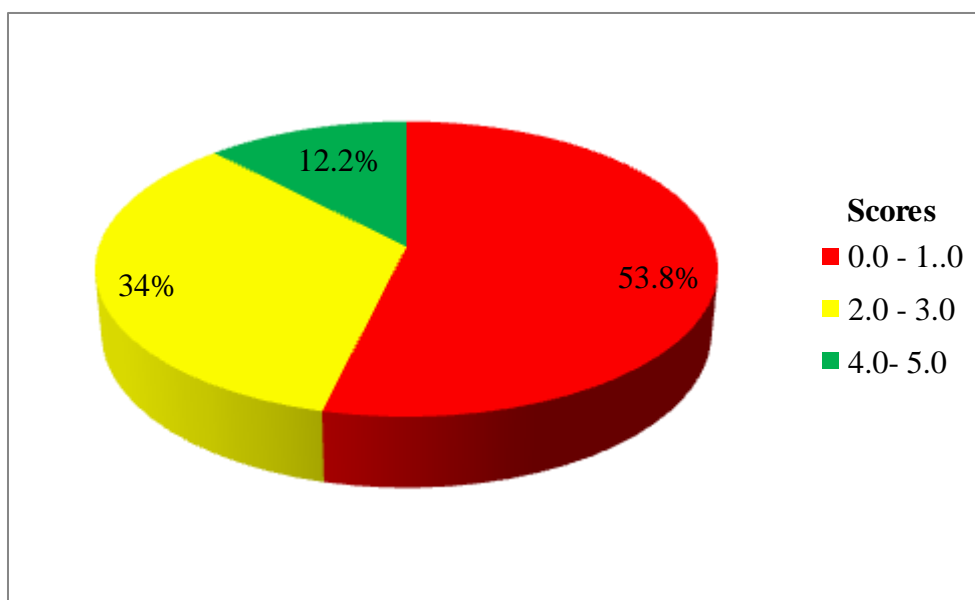
Item (xiv) required the candidates to identify a term from the given alternatives which provide a category under which the subscription paid in advance in the balance sheet of a non-profit making organisation appears. The correct response was A; *A current liability*. The candidates who chose this response had enough knowledge and understanding of the presentation of the accruals of incomes and expenses in the statement of financial position. However, the candidates who selected the incorrect alternatives lacked the knowledge and understanding of the presentation of accrued incomes and expenses in the statement of financial position.

In item (xv), the candidates were required to choose a basis on which the selling expenses are apportioned among departments. The correct response was B; *Sales*. The candidates who were able to identify this response demonstrated adequate knowledge and understanding of the basis under which the selling expenses are apportioned among departments in Accounting for Department Stores. The candidates who failed to identify the correct response selected other alternatives. Their choices of incorrect responses indicate that the candidates lacked knowledge of the basis under which the selling expenses are apportioned among departments in Accounting for Department Stores.

## 2.2 Question 2: Matching Items

This question consisted of five (5) matching items carrying a total of five (5) marks. For each of the items (i) - (v), the candidates were required to match the descriptions of audit terms in column A with their corresponding names in column B by writing the letter of the correct response beside the item number in the answer booklet provided. The question items were set from the topic of *Elements of Auditing*.

The question was answered by 13,101 (100%) candidates, out of these 7,043 (53.8%) scored from 0 to 1 mark, 4,465 (34%) scored from 2 to 3 marks, and 1,593 (12.2%) scored from 4 to 5 marks. The candidates' performance on this question was average since 6,058 (46.2%) candidates scored from 2 to 5 marks. Figure 2 summarizes the performance on Question 2.



**Figure 2:** Candidates' performance on Question 2

In item (i), the candidates were required to identify a name which matches correctly with the description of the collection of several documents as evidence for activities performed by auditor to support and reach conclusion. The correct response was F; *Working papers*. The candidates who were able to identify the correct response had adequate knowledge of the meaning of auditors' working papers. The candidates who matched the description with responses other than F, lacked the knowledge of the meaning of auditors' working papers. For example, majority of the

candidates who failed in this item selected G; *Audit report*. This response implies that the candidates lacked the knowledge of the concept of auditors' working papers and failed to distinguish auditors' working papers from the Audit report. The Audit report is a professional statement prepared at the end of audit work by an auditor in which he/she expresses his/her opinion on whether the audited financial statements show a true and fair view of the state of affairs of the client entity. Nevertheless, a considerable minority of the candidates who failed in this item matched the description with B; *Internal control*. These candidates lacked the knowledge of both terms; that is auditors' working papers and internal control. Internal control refers to the procedures adopted by the management of the entity to ensure efficiency, effectiveness, compliance with applicable laws and regulations, smooth operations and safety of the assets of the entity; thus response B was not a correct answer to the question.

Item (ii), required the candidates to identify a name which matches correctly with the description of the audit carried out as required by the law or regulations. The correct response was C; *Statutory audit*. The candidates who were able to identify the correct response had sufficient knowledge of the meaning of statutory audit. The candidates who matched the description with other names in column B lacked the knowledge of the concept of 'Statutory audit'. For example, some candidates who failed in this item selected A; *Management audit*. This response suggests that the candidates lacked the knowledge of the concept of statutory audit and could not distinguish from management audit. Management audit refers to an analysis and assessment of the competencies and capabilities of a company's management in carrying out corporate objectives. Further analysis of candidates' responses shows that other candidates selected B, *Internal control*. These candidates failed to distinguish statutory audit from internal control. Nevertheless, a few candidates who failed in item (ii) chose E, *Internal check*. This response indicates that the candidates lacked knowledge of the meaning of statutory audit and failed to make a distinction between statutory audit and internal check since the two terms have different meaning and interpretation in auditing.

In item (iii), the candidates were required to select a name which matches correctly with the description of procedures of the management to ensure effectiveness, efficiency, smooth operations and compliance with applicable laws and regulations. The correct response was B; *Internal Control*. This response was selected by the candidates who had sufficient

knowledge of the technical meaning of the term ‘internal control’. However, some candidates matched the description with other names in column B; suggesting that the candidates lacked knowledge of the technical meaning of internal control. The candidates, who matched the description with the names other than internal control in column B were not knowledgeable on the technical meaning of internal control as used in auditing.

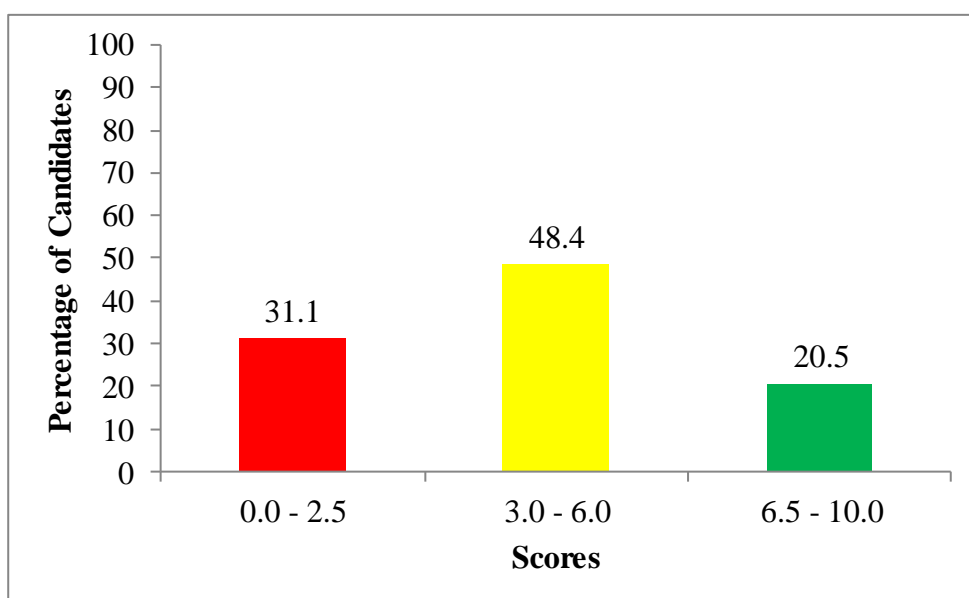
Item (iv) required the candidates to choose a name which matches correctly with the description of a statement prepared at the end of audit work by an auditor expressing opinion on the truth and fair view of financial statements. The correct response was G; *Audit report*. The candidates who selected response G had adequate knowledge of the concept of audit report. In contrast the candidates who matched the description with names other than audit report in column B had poor knowledge of the technical meaning of the term ‘Audit report’.

Item (v) required the candidates to identify a name which matches correctly with the description of suggestions which state that the audited financial statements are clean and give a true and fair view. The correct response was D; *Unqualified opinion*. The candidates who were able to choose the correct response had sufficient knowledge of the meaning and implication of an unqualified audit opinion. On the other hand, the candidates who failed in this item matched the description with incorrect names. This indicates that the candidates lacked knowledge of the meaning and implication of an unqualified audit opinion. The candidates who matched the description with names other than unqualified opinion in column B failed to distinguish unqualified opinion from the other names which were: management audit, internal control, statutory audit, internal check, working papers and audit report.



### 2.3 Question 3: Books of Prime Entry

The question required the candidates to briefly describe five books of prime entry. The question was attempted by 13,101 (100%) candidates, whereby out of these, 4,075 (31.1%) scored from 0 to 2.5 marks, 6,334 (48.4%) scored from 3 to 6 marks, and 2,692 (20.5%) scored from 6.5 to 10 marks. The candidates' performance on this question was therefore good since 9,026 (68.9%) candidates scored from 3 to 10 marks. Figure 3 shows the performance of candidates on Question 3.



**Figure 3:** Candidates' performance on Question 3

The analysis of the candidates' responses shows that 2,692 (20.5%) candidates scored from 7 to 10 marks. These candidates provided clear description to three or all of the required books of prime entry. For example, one candidate wrote "Sales Day Book/Sales Journal is a book of prime entry used to record goods sold on credit to customers. It shows the date of transaction, type and quantity of items sold, unit price and the total amount transferred to the customer's account in the sales ledger. It also shows the total credit sales for the month transferred to sales account in the general ledger". These responses to the question suggest that the candidates had adequate knowledge of the books of prime entry. Extract 3.1 is a sample of a good response from one of the candidates who provided relevant and clear explanation on the books of prime entry.

3.	i/ Sales day book ; This is the book or journal used to record sales made on credit. For example, goods sold on credit to Juma .
	ii/ Purchases day book ; This is the book or journal used to record purchases made on credit. For example , bought goods on credit from a supplier
	iii/ Return outwards day book , This is the journal used to records goods returned to the supplier . For example goods worth 5000 were returned to the supplier
	iv/ Return inwards day book ; This is the journal used to record goods returned by the customer - This may be due to wrong size , wrong colour .
	v/ Cash book ; This is the book used to record the receipts and payments of the business . This book only records cash transactions .

**Extract 3.1:** A sample of a candidate's correct response on Question 3

On the other hand, the candidates who scored from 3 to 6 marks 6,334 (48.4%) understood the requirement of the question. They wrote relevant explanations to two or three of the required books of prime entry. However, their explanation had spelling errors, incomplete sentences or omissions of some words. It was also noted that some candidates in this category listed six of the books of prime entry, but failed to provide explanation about them; hence they scored averagely from 3 to 6 marks. These responses

indicate that the candidates had satisfactory knowledge of the meaning and uses of the books of prime entry.

Further analysis of the candidates' responses indicates that 4,075 (31.1%) candidates scored from 0 to 2.5 marks. These candidates failed to describe the books of prime entry. Their responses to the question were characterised by a mixture of misconceptions and some correct answers. This made their scores to vary from 0 to 2.5 marks. The analysis shows that some candidates described columnar cash books which include: the two column cash book, three column cash book, and petty cash book instead of the books of prime entry which are: sales journal, purchases journal, sales returns journal, purchases returns journal and, general journal and cash book in which the financial transactions are recorded originally from the source documents before posting them to their respective accounts in the ledger books. This response indicates that the candidates lacked knowledge of the books of prime entry and could not differentiate books of prime entry from the columnar cash books.

Further analysis showed that some candidates who scored from 0 to 2.5 marks described types of ledger books namely general ledger, sales ledger, purchases ledger and private ledger instead of the books of prime entry. This indicates that the candidates lacked knowledge of the books of prime entry and failed to distinguish the books of prime entry from the ledger books. Ledger books are books to which accounting entries are posted from the books of prime entry. It was also noted that some candidates listed real account, personal account, nominal account, cash account, bank account and ledger account without explaining them. This suggests that the candidates did not know what exactly the question wanted them to do rather they were doing a guess work.

Moreover, some candidates explained the objectives of studying Book Keeping subjects instead of the books of prime entry. This response suggests that the candidates failed to interpret the demand of the question. This misconception led to candidates producing a response which did not meet the demand of the question. The analysis of the candidate's responses further revealed that some candidates explained single entry system, double entry system, and journal entry system in response to the question. This implies that the candidates lacked knowledge of the books of prime entry and failed to distinguish the books of prime entry from the single entry, double entry systems and the journal entries. Nevertheless, there were

candidates in this category who mentioned one or two, or explained correctly one of the books of prime entry and scored from 1 to 2.5 marks, hence the variation of the scores from 0 to 2.5 marks. Extract 3.1 is a sample of a response from a candidate who failed to interpret the requirement of the question and listed the objectives of studying Book Keeping subject instead of describing the books of prime entry.

i./	Business control
ii/	Fair tax assessment
iii/	Reliable financial position
iv/	Knowledge of credit dealing
v/	Determination of profit or loss

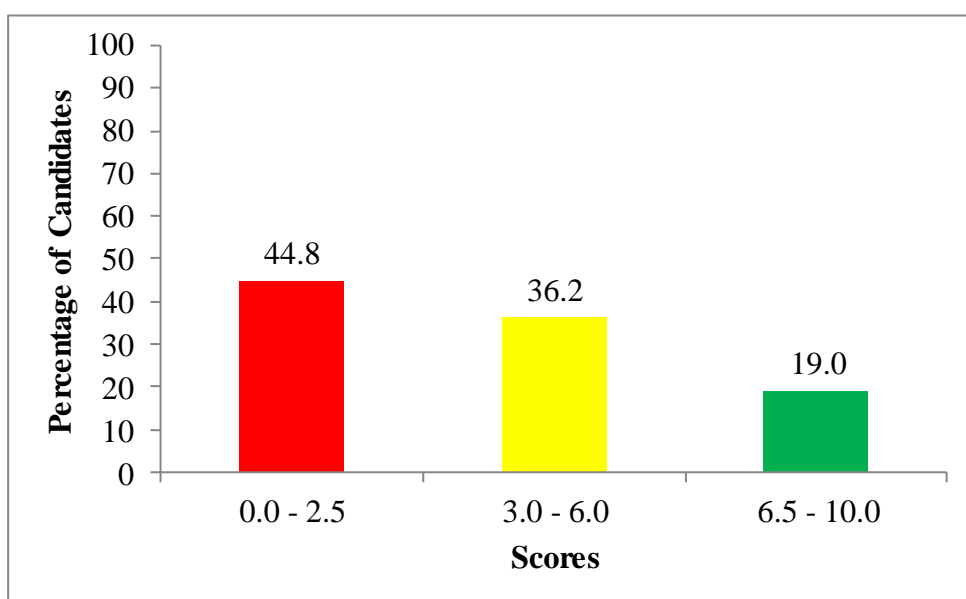
**Extract 3.2:** A sample of a candidate's incorrect response on Question 3

In Extract 3.2, the candidate listed objectives of studying Book Keeping subject instead of describing the required books of prime entry.

## 2.4 Question 4: Introduction to Book Keeping

The question required the candidates to elaborate the following concepts: Accrued expenses, Book Keeping, Credit transaction, Carriage outwards and Gross Profit.

The question was attempted by 13,100 (100%) candidates, out of these, 5,869 (44.8%) scored from 0 to 2.5 marks, 4,740 (36.2%) scored from 3 to 6 marks and 2,491 (19%) scored from 6.5 to 10 marks. The candidates' performance on the question was average as 7,231 (55.2%) candidates scored from 3 to 10 marks. Figure 4 illustrates the candidates' performance on Question 4.



**Figure 4:** Candidates' performance on Question 4

The analysis of the data for candidates' performance in this question shows that 2,491 (19%) candidates had good performance. The majority of these candidates were able to provide relevant and clear explanations on four or all of the five concepts. These candidates demonstrated high level of competence and writing skills in English language by producing correct spelling and minimum omissions of words in their sentences. However, a minimum omissions of some words, misspelled words in their sentences and omission of one or two of the concepts in their responses were observed. This caused the variation of marks from 6.5 to 10 marks. These good

responses suggest that the candidates had adequate knowledge of the given Accounting concepts. Extract 4.1 is a sample of a good response from a candidate who scored all the 10 marks allotted to the question.

4	a) Accrued expenses - These are amount of expenses which remain unpaid during a particular trading period. Accrued expenses are normally added to the expenses in the Income Statement and also added to the current liabilities in the balance sheet of the particular period.	
	b) Book keeping - Is the art of recording, classifying, Accounting and summarizing business transactions in term of money or money worth. All trading organisation and firms use art of Book keeping to record all monetary transactions.	
	c) Credit transaction - Is a type of transaction where goods are bought or sold on loan/credit basis whereby money is paid later. Supplier sells his/her goods on loan basis where he receives his/her money later but he/she gives an invoice to the customer.	
	d) Carriage outwards - This is an amount of money / expenses which is used to transfer goods to the place of sales / to the customers. This is amount of money incurred by the seller of goods to send his/her goods to the selling place or market.	
	e) Gross profit - This is the excess of sales over cost of goods sold. This is the trading profit received when cost of goods sold is deducted from Net sales. Example if sales is 40,000 and cost of goods sold is 20,000 the gross profit is 20,000.	

**Extract 4.1:** A sample of a candidate's correct response on Question 4

On the other hand, 4,740 (36.2%), candidates had an average performance on this question. These candidates were able to provide relevant explanations on two or three of the given Accounting concepts.

Further analysis of the candidates' responses shows that some candidates in this category could not score good marks because of omissions or incorrect spelling of some words. Also, some candidates in this category had their explanations to one or two of the given accounting concepts lacking clarity; hence their scores ranged from 3 to 6 marks. These responses indicate that the candidates had satisfactory knowledge of the meaning of Accrued expenses, Book Keeping, Credit transaction, Carriage outwards, and Gross Profit.

The analysis of candidates' responses further shows that 5,869 (44.8%) candidates in this question lacked knowledge of the given accounting concepts. Many of these candidates provided explanations which were not relevant to the given accounting concepts. For example, one candidate provided the following explanations:

*Accrued expenses are the expenses that the business often has expense before paying them; Credit transaction is the process of posting item in the ledger in order to get balanced; Carriage outwards is the process of transferring goods to the people and Gross profit is the excess of cost of goods sold over sales.*

These responses indicate that the candidates lacked knowledge of the given Accounting concepts. It was also noted that some candidates in this category had poor proficiency of the English language. Their explanation about the given accounting concepts lacked clarity as they were characterized by omissions of some words from their sentences, incorrect spelling of words and incorrect use of tenses.

Moreover, there were candidates in this group who copied the given accounting concepts as they appear on the question paper without explaining them. This response indicates the candidates' ignorance on the meaning of the given Accounting concepts. Nevertheless, some candidates in this group managed to provide correct explanations to one of the given accounting concepts and scored from 1 to 2.5 marks thereby making the scores of candidates in this category to range from 0 to 2.5 marks. These poor responses of the candidates to the question suggest that the candidates lacked knowledge of the meaning of the given accounting concepts. Extract 4.2 is a

sample of incorrect response from a candidate who scored zero mark on Question 4.

4	<del>a) Rent</del> a) Rent, Wages and Salaries.	
	b) Transaction, Business and Capital.	
	c) Opening stock and Purchases.	
	d) Sales, Return Inward and Cost of goods sold.	

**Extract 4.2:** A sample of a candidate's incorrect response on Question 4

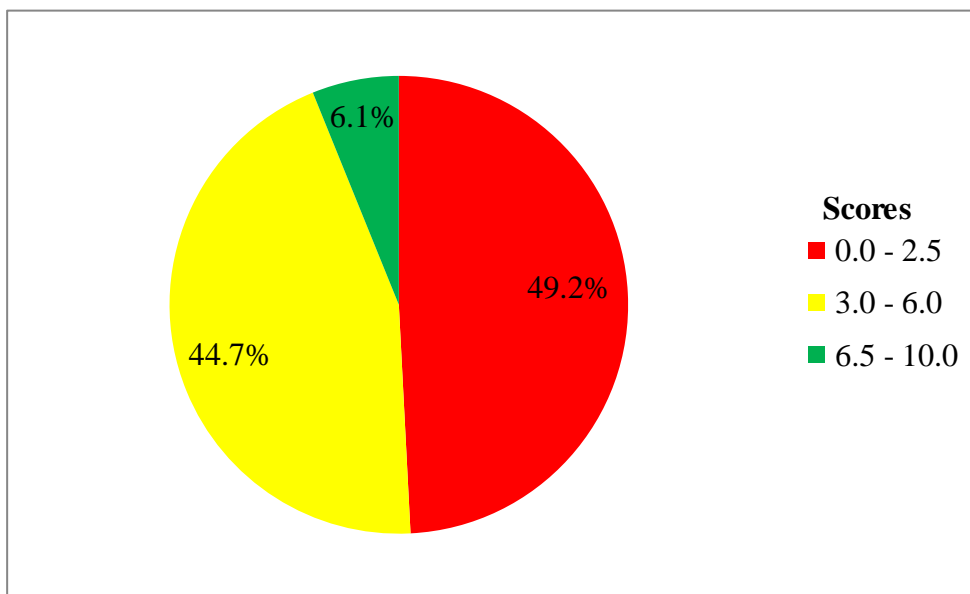
In Extract 4.2, the candidate listed terminologies used in Book Keeping subject like rent, wages, salaries, transaction, business and capital instead of explaining the given accounting concepts.

## 2.5 Question 5: Correction of Errors

This question required the candidates to prepare Journal entries to correct the Book Keeping errors which were discovered in the books of Kiwango Shop for the year ending 31<sup>st</sup> December, 2018.

The question was answered by 13,101 (100%) candidates, out of these, 6,444 (49.2%) scored from 0 to 2.5 marks, 5,855 (44.7%) scored from 3 to 6 marks, and 802 (6.1%) scored from 6.5 to 10 marks. The candidates' performance on the question was average since 6,657 (50.8%) candidates scored from 3 to 10 marks. Figure 5 illustrates the candidates' performance on Question 5.





**Figure 5:** Candidates' performance on Question 5

The analysis of the candidates' responses to this question revealed that the 6,444 (49.2%) candidates scored from 0 to 2.5 marks. These candidates lacked knowledge of the subject matter of correction of Book Keeping errors. For example, some candidates copied the statements of the given Book Keeping errors as they appear on the question paper and listed them in the General Journal instead of preparing journal entries to correct the errors. This response indicates that the candidates lacked the knowledge and skills of correcting the errors.

Additionally, some candidates used wrong accounts to correct the Accounting errors. This means that the candidates failed to identify the accounts affected by each of the given Book Keeping errors. Moreover, some candidates reversed the entries in the accounts. This response indicates that the candidates were not competent in applying the principle of double entry in recording financial business transactions. Likewise, some candidates used wrong amounts in their correcting journal entries. This response implies that the candidates failed to understand the effects of each of the given Book Keeping errors on the balance of the accounts; hence failing to understand whether the correcting action should be to increase or decrease the respective account balance. Furthermore, there were candidates who failed to interpret the requirements of the question. These candidates prepared ledger accounts entries instead of journal entries to correct the given Book Keeping errors.

This response suggests that the candidates did not understand what exactly the question wanted them to do; hence they were doing a guess work. Also, some candidates described the type of each of the given errors instead of preparing correcting journal entries for the errors. This response implies that, either the candidates failed to interpret the requirements of the question or lacked the knowledge and skills of correcting Book Keeping errors through the Journal. These responses to the question suggest that the candidates had not mastered the correction of Book Keeping errors. Extract 5.1 is a sample of incorrect response from a candidate.

5. Journal Entries to Correct the Errors (Ignore narrations)	
No	Narration
a)	Sales day book was overcast by Pzs 20,000 was correct the error of Comission
b)	A sale of Pzs 50,000 to Xavier was wrongly debited to Xavry, account to correct the error of Original Entry.
c)	Repairs expense of Pzs 18,000 was wrongly posted to repairs account as Pzs 81,000 to correct the Error of Ommission.
d)	Discounts received worth Pzs 30,000 were erroneously posted to the debit of discounts allowed account to correct the Error of Comission.
e)	Legal expence of Pzs 90,000 paid to advocate Mr. Meena was debited to Salaries and wages account to correct the Error of Ommission.
f)	Motor car purchased for Pzs 170,000 was wrongly entered in purchases account to correct the error of Principle.
g)	Cash amounting to Pzs 15,000 received from Lali was correctly entered in the cash book but wrongly posted to the debits of Lalian account to correct the-

**Extract 5.1:** A sample of a candidate's incorrect response on Question 5

In Extract 5.1, the candidate copied the statement of each of the given Book Keeping errors as they appear on the question paper instead of preparing correcting journal entries for them.

On the other hand, 5,855 (44.7%) candidates had average performance on this question. These candidates understood the requirements of the question and the majority of them opened the general journal and successfully made accurate correcting journal entries for 5 or 6 of the given errors. However, some candidates in this group had their journal entries containing wrong amounts, wrong accounts, and some reversed entries. It was further noticed that some candidates could not correct all the given errors. They also recorded some entries into the wrong columns of the journal. Despite the errors and omissions that were observed in their responses, their average performance suggests that the candidates had satisfactory knowledge and skills on the correction of Book Keeping errors.

Further analysis of candidates' responses shows that 802 (6.1%) candidates had good performance in this question. These candidates were able to correct the given accounting errors accurately. The majority of these candidates skillfully prepared the General Journal in its proper format, identified the accounts affected by each of the given Book Keeping errors, understood the effects of the errors on the accounts balances and made appropriate correcting journal entries for each of the given errors.

However, some errors, omissions, reversed entries, wrong accounts and amounts were observed in some candidates' responses. Also, there were candidates who recorded some entries into the wrong columns of the Journal. Depending on the amount of errors and omissions committed by each of the candidates, their scores ranged from 6.5 to 10 marks. These good responses to the question suggest that the candidates had mastered the correction of Book Keeping errors. Extract 5.2 is a sample of a correct response from a candidate who accurately prepared the correcting journal entries for each of the given Book Keeping errors.

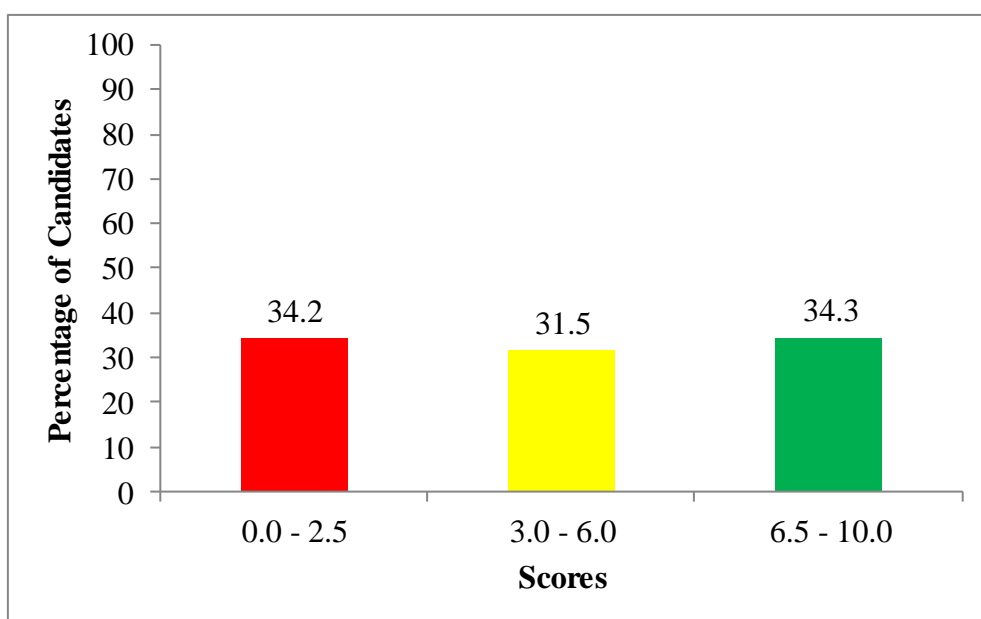
JOURNAL ENTRIES					
05.	Date	Detail	F	DEBIT	CREDIT.
	Dec 2018				
	(a)	Sales Account		20,000	
		Suspense Account			20,000
	(b)	Xavier Account		50,000	
		Xavery Account			50,000
	(c)	Suspense		63000	
		Repairs Account			63000
	(d)	Suspense		60,000	
		Discount Allowed			30,000
		Discount Received			30,000
	(e)	Legal expenses		90,000	
		Salaries and Wages			90,000
	(f)	Motor Car		170,000	
		Purchases Account			170,000
	(g)	Dewi Account		15000	
		Devison Account			15000
	(h)	Insurance		40,000	
		Sales			40,000
	(i)	wages		78,200	
		Suspense			78,200

**Extract 5.2:** A sample of a candidate's correct response on Question 5

## 2.6 Question 6: Accounting for Single Entry and Incomplete Records

This question demanded the candidates to prepare statements of affairs to calculate the opening capital as at 1<sup>st</sup> January, 2018 and closing capital as at 31<sup>st</sup> December, 2018.

The question was attempted by 13,099 (100%) candidates, out of which 4,481 (34.2%) scored from 0 to 2.5 marks; 4,121 (31.5%) scored from 3 to 6 marks; and 4,497 (34.3%) scored from 6.5 to 10 marks. The candidates' performance on the question was good since 8,618 (65.8%) candidates scored from 3 to 10 marks. Figure 6 presents the candidates' performance on question 6.



**Figure 6:** Candidates' performance on Question 6

The analysis of the candidates' responses to this question indicates that 4,497 (34.3%) candidates had good performance. These candidates scored from 6.5 to 10 marks. The analysis shows that the majority of the candidates were able to draw the specimens of the statements of affairs in their proper formats. They analysed the information provided in the question into assets and liabilities and classified them as to those which should be used to calculate the opening capital at 1<sup>st</sup> January, 2018 and the ones to be used to calculate the closing capital at 31<sup>st</sup> December, 2018.

Moreover, these candidates made a proper presentation of the assets and liabilities in the statements of affairs on the specified dates and accurately ascertained the values of opening and closing capitals which were TZS 224,300 and TZS 270,800 respectively. However, some candidates in this category had their responses containing errors like omissions of some items of assets and liabilities from the statements of affairs, misclassification of the items into assets and liabilities and casting errors.

Despite the errors and omissions observed in the candidates' responses, the candidates managed to score from 6.5 to 10 marks. These good responses to the question suggest that the candidates had adequate knowledge and skills necessary for the preparation of statements of affairs. Extract 6:1 is a sample of a correct response from one of the candidates who answered question 6 correctly.

6.

MS. ANNET

STATEMENTS OF AFFAIRS AS AT 1<sup>st</sup> JANUARY 2018

Fixed Assets

Premises

350,000

Furniture

60,000

Motorvan

13,000

423,000

Current Assets

Trade debtors

62,800

Prepaid Insurance

25,000

87,800

TOTAL ASSETS

515,800

Financed by:

Capital

224,300

Fixed Liabilities

Loan from bank

120,000

Current Liabilities

Trade creditors

39,500

Salaries due

92,000

Rent received in advance

40,000

171,500

TOTAL CAPITAL + LIABILITIES

515,800

\* The opening capital is 224,300/-

DR

Loan A/c

CR

2018

Payments

100,000

2018

Jan 1.

Balance b/d

120,000

Dec 31.

Balance c/d

20,000

120,000

120,000

2019

Jan 1.

Balance b/d

20,000

\* The closing capital is 270,800/-



6.	MS. ANNET	
	STATEMENT OF AFFAIRS AS AT 31 <sup>st</sup> DECEMBER 2018	
	<u>Fixed Assets</u>	
	Premises 350,000	
	less: Accumulated depreciation (55,000) 295,000	
	Furniture 60,000	
	less: Accumulated depreciation (7,000) 53,000	
	Motorvan 18,000	
	less: Accumulated depreciation (1,800) 16,200	
		364,200
	<u>Current Assets</u>	
	Trade debtors 74,300	
	Prepaid Insurance 36,000	110,300
	<u>TOTAL ASSETS</u>	<u>474,500</u>
	<u>Financed by:</u>	
	Capital 270,800	
	<u>Fixed Liabilities:</u>	
	Loan from bank 20,000	
	<u>Current Liabilities</u>	
	Trade creditors 40,700	
	Salaries due 75,000	
	Rent received in advance 68,000	183,700
	<u>TOTAL CAPITAL + LIABILITIES</u>	<u>474,500</u>

**Extract 6.1:** A sample of a candidate's correct response on Question 6



Further analysis of the candidates' responses shows that 4,121 (31.5%) candidates scored from 3 to 6 marks. The majority of the candidates in this group were able to prepare the statements of affairs. However, their analyses of the information provided in the question into assets and liabilities were not accurate for some of the items; hence they included some items of assets with liabilities and vice versa. Also some candidates in this category failed to classify the items of assets and liabilities as to those which should be used to calculate the opening capital at 1<sup>st</sup> January 2018 and the ones to be used to calculate the closing capital at 31<sup>st</sup> December, 2018. Despite these mistakes in their responses, they performed averagely and this indicates that they had satisfactory knowledge of the preparation of statements of affairs for the purpose of calculating capital.

On the other hand, the data shows that 4,481 (34.2%) of the candidates performed poorly on this question. These candidates scored from 0 to 2.5 marks. The analysis of the candidates' responses shows that some candidates in this group failed to interpret the requirement of the question. For example, there were candidates who prepared a trial balance in which they listed all items of assets and liabilities regardless of whether they are opening or closing assets and liabilities. This suggests that the candidates lacked not only the knowledge and skills of preparing the statements of affairs but also failed to distinguish the statements of affairs from the trial balance.

Likewise, some candidates prepared a balance sheet in which they listed all the assets and liabilities without classifying them as to those which should be used to calculate the amount of capital at 1<sup>st</sup> January 2018 and the ones which should be used to calculate the amount of capital at 31<sup>st</sup> December, 2018. This response implies that the candidates lacked knowledge and skills of preparing the statements of affairs and failed to distinguish the statements of affairs from the balance sheet. It was also noted that some candidates with weak performance prepared ledger accounts for each of the items of assets and liabilities instead of preparing the statements of affairs. This response suggests that the candidates failed to interpret the requirements of the question; hence, they were doing a guess work.

Moreover, the analysis revealed that some candidates who scored from 0 to 2.5 marks had inadequate knowledge and competences on the preparation of statements of affairs for the purpose of calculating capital. For example, some candidates prepared a single statement of affairs and in it; they listed a mixture of opening and closing assets and liabilities. This response suggests

that the candidates failed to recognize that, separate statements of affairs are required; one for the purpose of calculating opening capital and the other for calculating closing capital. The first statement of affairs uses opening assets and liabilities to calculate the value of opening capital while the later uses closing assets and liabilities to determine the value of closing capital.

Additionally, some candidates in this group prepared the statement of affairs as at 31<sup>st</sup> December, 2018 in which they recorded a mix of correct and incorrect items. This response suggests that the candidates had limited analytical skills. Some candidates prepared the statement of affairs as at 1<sup>st</sup> January, 2018 in which they recorded not more than six correct items. These poor responses to the question suggest that the candidates had not mastered the preparation of statements of affairs for the purpose of calculating capital. Extracts 6.2 is a sample of incorrect response from a candidate who scored zero on Question 6.

Dr	STATEMENT AFFAIRS	Cr
Premises	350,000	
Furniture	60,000	
Motor Van	12000	
Trade Debtor	62300	
Trade Creditors	39,500	
Loan from bank	180,000	
Salaries due	98,000	
Prepaid Insurance	25,000	
Rent received in ad	40,000	
	300	

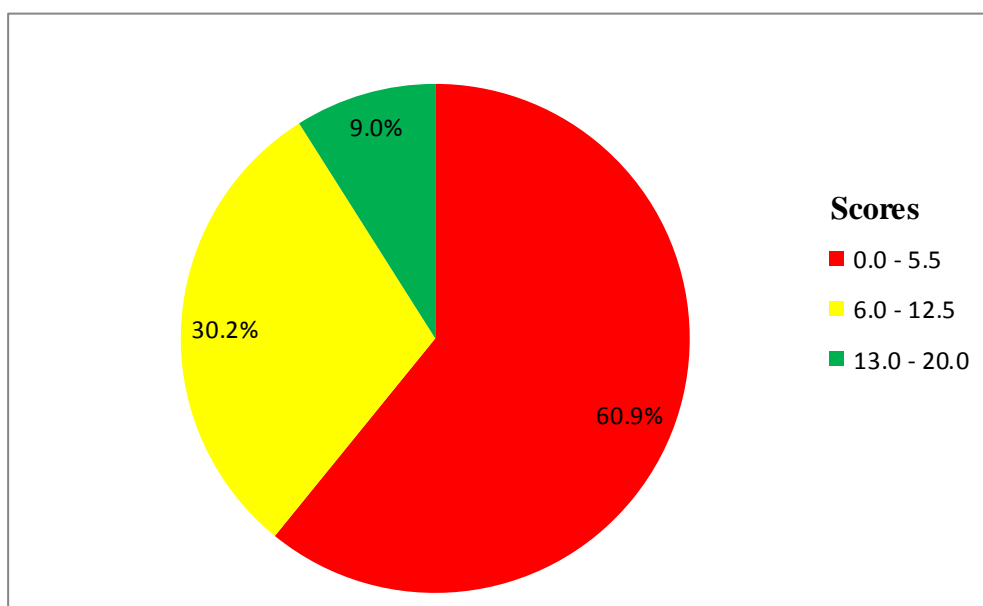
**Extract 6.2:** A sample of a candidate's incorrect response on Question 6

In Extract 6.2, the candidate prepared an unspecified statement of affairs with Dr and Cr sides in which he/she recorded a mix of assets and liabilities items on the Dr side of the statement. A Statement of Affairs does not have Dr and Cr sides and it has to be specified whether it is an opening or closing statement by indicating the date of the statement.

## 2.7 Question 7: Depreciation and Disposal of Non-Current Assets

In this question the candidates were required to use the information provided to prepare the machinery and provision for depreciation on machinery accounts for four years ending 31<sup>st</sup> December, 2014, 2015, 2016, 2017 and the machinery disposal account.

The question was attempted by 7,557 (57.7%) candidates, where 4,599 (60.9%) of the total candidates scored from 0 to 5.5 marks, 2,279 (30.1%) scored from 6 to 12.5 marks, and 679 (9%) scored from 13 to 20 marks. The candidates' performance on the question was therefore average since 2,958 (39.1%) candidates scored from 6 to 20 marks. Figure 7 illustrates the candidates' performance on Question 7.



**Figure 7:** Candidates' performance on Question 7

The analysis of the candidates' responses shows that 4,599 (60.9%) candidates had weak performance on this question. These candidates lacked knowledge and competences in accounting for depreciation and disposal of non-current assets. The analysis of responses indicates that some candidates failed to prepare all the required accounts. They prepared the machinery account only. This means that the candidates failed to meet the demands of the question; hence, scoring from 0 to 5.5 marks.

Also, it was observed that some candidates who performed poorly on this question prepared a provision for depreciation account only, leaving out the machinery and machinery disposal accounts. However, their entries in the account contained reversed entries, incorrect amounts, entries on the wrong side of the account and some entries were missing in the account.

Likewise, some candidates prepared the machinery and provision for depreciation on machinery accounts but failed to prepare the machinery disposal account and their entries in the accounts contained a mix of correct and incorrect entries. This response suggests that the candidates lacked analytical skills on the preparation of accounting records. The candidates failed to analyse the information provided in the question into transactions which should be recorded in the machinery account and the ones which should be recorded in the provision for depreciation and in the machinery disposal accounts.

Furthermore, it was noticed that some candidates opened all the required accounts with no correct entry. Their entries in the accounts contained some reversed entries, entries in wrong accounts, entries on the wrong side of the accounts and some transactions were missing in the accounts. These poor responses to the question suggest that the candidates lacked knowledge and competences in accounting for depreciation and disposal of non- current assets.

Moreover, some candidates opened the required accounts but failed to calculate the annual depreciation charge accurately. These candidates failed to recall the formula  $D = r \times C$  which is used to calculate the annual depreciation charge when the straight line method is applied. Some of these candidates used the formula  $D = r \times (C - A)$  which is used to calculate annual depreciation charge when the reducing balance method is applied; hence, producing incorrect calculated depreciation charges. Consequently, their entries in the provision for depreciation and the machinery disposal accounts contained incorrect depreciation charges.

Other candidates skipped the provision for depreciation on machinery and the machinery disposal accounts after failing to calculate the annual depreciation charges. These poor responses to the question indicate that the candidates lacked knowledge and competences in accounting for depreciation and disposal of non-current assets. Extract 7.1 is a sample of incorrect response from a candidate who scored zero in Question 7.

7	Provision for Depreciation.					
	date	Amount	date	Amount		
	31 mar 2015 machine	80,000	1 jan 2014 machine A	38000		
			1 Jul 2014 machine B	96000		
			31 mar 2015 machine C	20,000		
			1 oct 2016 machine A	55,000		
			5 nov 2016 machine D	120,000		
			4 Feb 2017 machine B	30,000		
			6 Feb 2017 machine E	70,000		
			11 oct 2017 machine D	14000		
			Balance	337,000		
		417,000		417,000		
	Balance	337,000				
	Dr Machinery Disposal Account					
	date	Total	2014	2015	2016	2017
	Machine A	32000	20,000	-	-	-
	Machine B	32000	120,000	-	-	-
	Machine C	96000	-	16000	-	-
	Machine A	210,000	-	-	11000	-
	Machine D	210,000	-	-	24000	-
	machine B	38000	-	-	-	6000
	machine E	38000	-	-	-	18,000
	machine D	38000	-	-	-	14000
	Total.	694000	32000	16000	35000	38000

**Extract 7.1:** A sample of a candidate's incorrect response on Question 7

In Extract 7.1, the candidate prepared a provision for depreciation account with no correct entry in it and a depreciation schedule with a title 'Machinery Disposal Account'.

On the other hand the analysis of candidates' responses shows that 2,279 (30.1%) candidates had average performance in this question. These candidates opened all the required accounts. However, it was noted that some candidates in this group failed to calculate accurate amounts of depreciation charges for some items of machinery and their records in the accounts were incomplete. Moreover, some candidates reversed the entries in the accounts. Other candidates posted some entries to the wrong sides of the accounts and a few candidates left the accounts without balancing them. Despite the errors and omissions observed in the candidates' responses, their scores ranged from 6 to 12.5 marks. These responses suggest that the candidates had enough knowledge and competences in accounting for depreciation and disposal of non-current assets.

Further analysis of the candidates' responses shows that 679 (9%) of the candidates scored from 13 to 20 marks. These candidates were able to prepare the machinery, provision for depreciation on machinery and the machinery disposal accounts. Most of them opened the required accounts, analysed the information provided in the question into transactions which should be recorded in the machinery account, and the ones to be recorded in the provision for depreciation on machinery and machinery disposal accounts. The analysis of the candidates' responses in this category suggests that the majority of these candidates computed the amounts of depreciation charges accurately and made correct entries in the accounts. However, some candidates made minor omissions of some entries in the accounts, miss posting of entries in the accounts and incorrect calculations of depreciation charges which led to computation of wrong balances of the accounts. Therefore, their scores varied from 13 to 20 marks. These good responses to the question suggest that the candidates were knowledgeable and competent enough in accounting for depreciation and disposal of non-current assets. Extract 7.2 is a sample of correct response from a candidate who accurately prepared the machinery, provision for depreciation on machinery and the machinery disposal accounts.



7.	MTAMBA MOTORS' LTD				
	Dr	Provision for Depreciation on Machinery %		Cr	
2014 Dec 31	Balance y/d	32,000	2014 Dec 31	Income statement	32,000
2015 Dec 31	Balance y/d	80,000	2015 Jan 1	Balance b/d	32,000
			Dec 31.	Income statement	48,000
		80,000			80,000
2016 Oct 7	Disposal (A)	40,000	2016 Jan 1	Balance b/d	80,000
Dec 31.	Balance y/d	92,000	Dec 31.	Income statement	52,000
		132,000			132,000
2017 Feb 4	Disposal (B)	36,000	2017 Jan 1	Balance b/d	92,000
Oct 11	Disposal (C)	24,000	Dec 31	Income statement	48,000
Dec 31	Balance y/d	80,000			
		140,000			140,000
			2018 Jan 1	Balance b/d	80,000

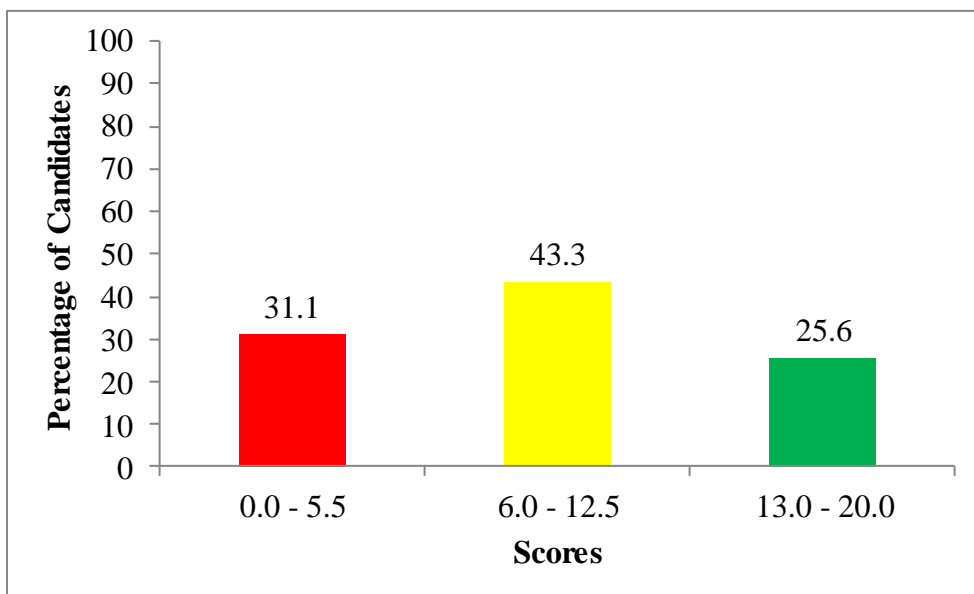
**Extract 7.2:** A sample of a candidate's correct response on Question 7

## 2.8 Question 8: Preparation of Comprehensive Financial Statements

This question required the candidates to use the information provided to prepare Sungura stores income statement for the year ending 28<sup>th</sup> February, 2018 and the statement of financial position as at 28<sup>th</sup> February, 2018.

The question was attempted by 10,537 (80.4%) candidates, out of these 3,279 (31.1%) scored from 0 to 5.5 marks, 4,560 (43.3%) scored from 6 to 12.5 marks, and 2,698 (25.6%) scored from 13 to 20 marks. The candidates' performance for the question was therefore good since 7,258 (68.9%) candidates scored from 6 to 20 marks. Figure 8 illustrates the candidates' performance on Question 8.





**Figure 8:** Candidates' performance on Question 8

The candidates' performance data on this question shows that 2,698 (25.6%) candidates had good performance. These candidates were able to prepare the financial statements. The analysis of candidates' responses shows that the majority of candidates in this category opened the income statement and the statement of financial position in their proper formats, classified the information provided in the question into elements of income statement and of statement of financial position respectively. Additionally, they analysed the elements of financial statements into income, expenses, assets and liabilities. These candidates prepared year-end adjustments accurately to most of the elements of financial statements and made a proper presentation of the income, expenses, assets and liabilities in the income statement and statement of financial position of the Sungura stores for the year ending 28<sup>th</sup> February, 2018 and as at 28<sup>th</sup> February, 2018. However, some candidates made minor omissions of some elements of financial statements, incorrect year-end adjustments and mis presentation of assets and liabilities in the statement of financial position. Therefore, their scores varied from 13 to 20 marks. These good responses to the question suggest that the candidates were competent in the preparation of financial statements. Extract 8.1 is a sample of correct response from a candidate who scored 20 out of the 20 marks allotted to the question.

8. a)	SUNGURA STORES.			
	INCOME STATEMENT FOR THE YEAR ENDING 28 <sup>th</sup> /12/2018			
	TZS.	TZS.	TZS.	
Sales			15716500	
less: Cost of goods sold				
Opening Stock		412000		
Add: Purchases		9280000		
Cost of goods available		9692000		
less: closing stock		(240000)		
Cost of goods sold.			(9452000)	
Gross profit			6264500	
Add: Discount received,			16000	
			6280500	
less: Expenses				
Wages and salaries	314000			
Add: Accrued	16000	330000		
Rent	340000			
less: Prepaid	(23000)	317000		
Van running Costs	61940			
Add: Owing	9200	69140		
Discount allowed		82000		
Increase in allowance for doubtful debts		9100		
Depreciation: Office furniture		38000		
Delivery Van		125000	(970240)	
Net profit.			5310260	
Bad debts written off			(73000)	
NET PROFIT			5237260	

8, b)	SUNGURA STORES			
	STATEMENT OF FINANCIAL POSITION AS AT 28 <sup>th</sup> FEB. 2018.			
		TZS.	TZS.	TZS.
	ASSETS.			
	FIXED ASSETS.			
	Delivery Van	2309000		
	less: depreciation	(125000)	2184000	
	Office furniture	2290000		
	less: depreciation	(38000)	2252000	4436000
	CURRENT ASSETS			
	Stock (Inventory)		240000	
	Debtors	123160		
	less: Allowance for doubt	(49600)	73560	
	Cash in hand		32400	
	Cash at bank		410000	
	Prepaid rent		23000	778960
	TOTAL ASSETS			<u>5214960</u>
	LIABILITIES			
	Capital		1140000	
	Add: Net profit		5237260	
			6377260	
	less: Drawings		1710000	4667260
	CURRENT LIABILITIES			
	Creditors		524500	
	Accrued wages Salaries		16000	
	Van running Cost owing		7200	547700
	TOTAL LIABILITIES.			<u>5214960</u>

**Extract 8.1:** A sample of a candidate's correct response on Question 8

The data for candidates' performance indicates further that 4,560 (43.3%) of the candidates had average performance in this question. The analysis of candidates' responses shows that the candidates in this group had satisfactory knowledge and competences on the preparation of financial statements. The candidates in this category prepared the financial statements in their proper formats but their presentation of the elements of financial statements in the income statement and statement of financial position contained a mixture of correct and incorrect items. Also, it was noted that some candidates in this category failed to prepare accurate year-end adjustments to some of the elements of financial statements which required such adjustments. Consequently, their income statement and statement of financial position contained inaccurate values of some of the expenses, assets, and liabilities. Their scores ranged from 6 to 12.5 marks depending on the amount of errors and omission each of them committed in their responses.

Further analysis of the data for candidates' performance on this question shows that 3,279 (31.1%) had weak performance. These candidates were not able to prepare the financial statements (Income statement and statement of financial position). The analysis of candidates' responses shows that the candidates in this group faced multiple challenges in answering the question. The analysis of responses revealed that some candidates in this group failed to interpret the requirements of the question; as a result they produced responses which did not meet the demands of the question. For example, some candidates prepared a trial balance instead of the financial statements. This response implies that the candidates did not understand exactly what the question wanted them to do.

It was also noted that some candidates who performed poorly on this question prepared ledger accounts instead of the financial statements. This implies that the candidates failed either to interpret the demands of the question or to distinguish ledger accounts from the financial statements. Likewise, a small group of the candidates with weak performance prepared a general journal instead of the required financial statements. This response indicates that the candidates failed to differentiate the general journal from the financial statements.

Moreover, it was observed from some poorly performed candidates' responses in this question that, lack of analytical skills was one of the challenges which contributed to their weak performance. These candidates

failed to analyse the information provided in the question into elements of income statement and statement of financial position. Consequently, they presented a mix of income, expenses, assets, and liabilities in the income statement and in the statement of financial position. Another observation was that, some candidates scored low marks, from 0 to 5.5 because they prepared either the income statement only, leaving out the statement of financial position or the statement of financial position only, leaving out the income statement. Their presentation of the elements of financial statements in either the income statement or statement of financial position were incomplete or a mix of correct and incorrect items. Extract 8.2 is a sample of incorrect response from a candidate who scored zero in Question 8.

FINANCIAL STATEMENT POSITION AS AT			
28 <sup>th</sup> FEB 2018			
Details	Dr	Cr	
Capital		1,140,000	
Sales		15,716,500	
Office Furniture	38,000		
Delivery van	2,434,000		
Discount receive		16,000	
Discount allowed	82,000		
Rent	340,000		
allowance Fordoubtful		40,500	
Van running costs	61,940		
Cash at bank	410,000		
cash at hand	32,400		
Drawings	1,710,000		
Bad written off	73,000		
	16,913,000	16,913,000	

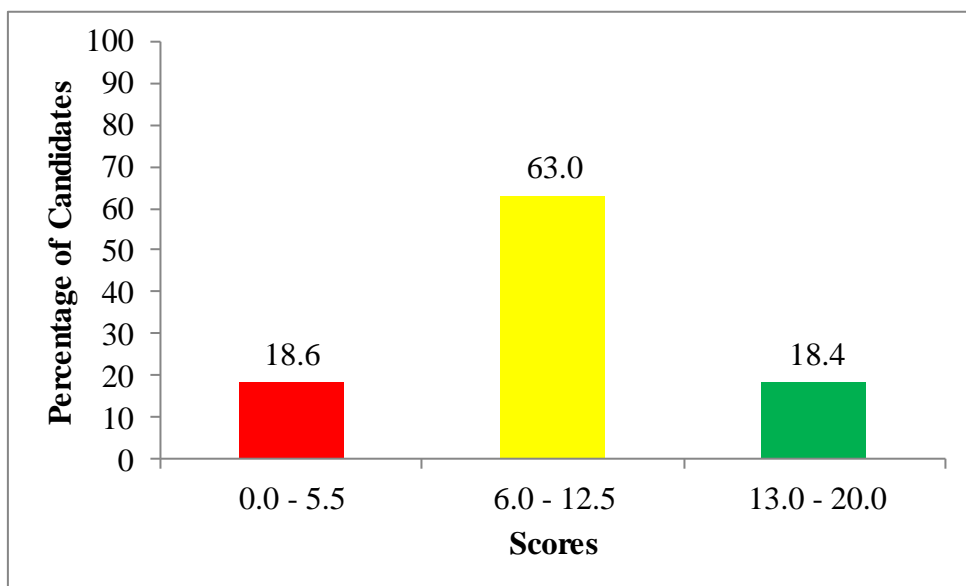
**Extract 8.2:** A sample of a candidate's incorrect response on Question 8

In Extract 8.2, the candidate prepared a trial balance with a title 'Financial Statement Position as at 28<sup>th</sup> February, 2018' instead of the income statement and statement of financial position.

## 2.9 Question 9: Accounting for Joint Venture

This question required the candidates to use the information provided to prepare Joint venture accounts in the books of Mziwanda and Mwerevu and the Memorandum Joint Venture account.

The question was attempted by 8,105 (61.9%) candidates, out of which, 1,505 (18.6%) scored from 0 to 5.5 marks, 5,107 (63%) scored from 6 to 12.5 marks, and 1,493 (18.4%) scored from 13 to 20 marks. The candidates' performance for the question was good since 6,600 (81.4%) candidates scored from 6 to 20 marks. Figure 9 illustrates the candidates' performance on Question 9.



**Figure 9:** Candidates' performance on Question 9

The analysis of the data for candidates' performance on this question shows that 1,493 (18.4%) candidates had good performance. These candidates scored from 13 to 20 marks. The analyses of their responses show that they were able to prepare the joint venture accounts in the books of Mziwanda and Mwerevu and the memorandum joint venture account. The majority of the candidates in this category opened all the required accounts, analysed the information provided in the question into transactions, which should be recorded in the books of Mziwanda and the ones which should go into the books of Mwerevu. Most of their entries in the accounts were accurate and their presentation of the data into the memorandum joint venture account was also correct. However, some of the candidates made minor omissions of some

transactions in the ledger accounts of the co-ventures and in the memorandum joint venture account. Others misclassified some transactions which should have been recorded in the books of Mziwanda by recording them in the books of Mwerevu and vice versa; hence, their scores varied from 13 to 20 marks. These good responses to the question suggest that the candidates had adequate knowledge and practical skills of the preparation of accounts for Joint ventures. Extract 9.1 is a sample of a correct response from a candidate who scored 20 out of the 20 marks allotted to Question 9.

In the books of Mziwanda			
9	DR	JOINT VENTURE WITH MWEREVU	CR
2018 31/5	purchases 600,000	2018 31/5	sales proceeds <sup>1600000</sup> 1,200,000
	700,000	12/51	sales proceeds 1,600,000
	900,000		net receipts 200,000
	Purchase engine 400,000		loss share 533,333
12/51	proceeds to mwerevu 1,600,000		Balance c/d 966,667
	Harbour dues 100,000		
	Marine insurance 200,000		
	4,500,000		4,500,000
	Balance b/d 966,667		cash settlement 966,667
			from mwerevu
In the books of Mwerevu			
	DR	JOINT VENTURE WITH MZIWANDA	CR
2018 31/5	Purchases 700,000	2018 12/51	proceeds from Mziwanda 1,600,000
	Painting expenses 50,000	8/51	Sales proceeds 800,000
	Return of boat 750,000	20/61	Take over 700,000
	Harbour due 300,000		loss share 266,667
	Marine insurance 600,000		
	Balance c/d 966,667		
	3,366,667		3,366,667
	cash settlement 966,667		Balance b/d 966,667
	to mziwanda		

9	MZIWANDA AND MWERU			
	DR	MEMORANDUM JOINT VENTURE A/c		CR
	2018		2018	
	2151	purchases 600,000	31151 sales proceeds 600,000 x 2	1200,000
		700,000	12151 sales proceeds	1,600,000
		900,000 2200,000	net receipts	200,000
		purchase engine 400,000	31151 sales proceeds	800,000
		Harbour dues 100,000	Take over	700,000
		Marine insurance 200,000	Loss share	
	31151	Purchase 700,000	Mziwanda $\frac{2}{3} \times 800,000$	533,333
		painting expenses 50,000	Mweru $\frac{1}{3} \times 800,000$	266,667
		Return of boat 750,000		
		Harbour dues 300,000		
		Marine insurance 600,000		
		5300,000		5300,000

**Extract 9.1:** A sample of a candidate's correct response on Question 9

Further analysis of candidates' responses to this question shows that 5,107 (63%) candidates scored from 6 to 12.5 marks, the range regarded as average performance in this report. These candidates were able to prepare the required accounts. The majority of the candidates in this group opened all the required accounts. However, it was noted that their accounts consisted of a mix of correct and incorrect entries. The incorrect entries included some reversed entries, entries on the wrong sides of the accounts, and omissions of some transactions from the accounts. Nevertheless, other candidates failed to prepare the memorandum joint venture account. Despite the errors and omissions observed in these candidates' responses, their average performance indicates that they had satisfactory knowledge and skills of accounting for Joint ventures.



The analysis of the data for candidates' performance further shows that 1,505 (18.6%) candidates performed poorly in this question. The analysis of these candidates' responses to the question shows that the main challenges to these candidates in answering the question were two: failure to interpret the requirements of the question and lack of knowledge and practical skills in accounting for joint ventures. Those who failed to interpret the requirements of the question produced responses which did not meet the demands of the question and scored zero. The analysis of responses revealed some candidates who prepared a trial balance instead of the joint venture accounts in the books of Mziwanda and Mwerevu and the memorandum joint venture account. This response evidences the candidates' misconception of the requirement of the question. It was also noted that some candidates prepared a statement of profit or loss account instead of the joint venture accounts and the memorandum joint venture account. This response indicates that the candidates failed to understand what exactly the question required them to do. Another instance of candidates' failure to interpret the questions' requirement was demonstrated by candidates who prepared cash and Bank accounts in which they recorded the transactions relating to the purchases of speed boats by the co-ventures instead of preparing the joint venture accounts and memorandum joint venture account.

Additionally, lack of knowledge and practical skills in accounting for Joint ventures was demonstrated by candidates who understood the requirements of the question but because of their poor knowledge and competences of preparing the required accounts they ended up scoring from 0 to 5.5 marks. The analyses of these candidates' responses show that some candidates prepared personal accounts of Mziwanda and Mwerevu in which they entered unclassified transactions. This response suggests that the candidates lacked not only the knowledge of the title of the accounts that are opened in the books of the co-ventures, but also the ability to analyse the transactions into those which should be recorded in the books of Mziwanda and the ones to be recorded in the books of Mwerevu. Likewise, some candidates in this category opened the required ledger accounts in the books of Mziwanda and Mwerevu but their records in the accounts were a mix of reversed entries, correct entries, entries on wrong sides of the accounts and entries for transactions relating to the other co-venture and vice versa. Moreover, a considerable minority of the candidates in this category failed to prepare the memorandum joint venture account. Extract 9.2 is a sample of incorrect response from a candidate who scored zero in Question 9.

9	In the book of Mziwanda	
	Joint venture of Mwerevu	
	Purchases	750,000
	Sales	800,000
	Harbor dues	300,000
	Marine Insurance	600,000
	Shared profit	100,000
		2,550,000
	In the book of Mwerevu	
	Joint venture of Mziwanda	
	Purchases	2,200,000
	Purchases	400,000
	Sales	600,000
	Sales	1,600,000
	Harbor dues	100,000
	Marine Insurance	200,000
	Shared profit	100,000
		5,200,000

**Extract 9.2:** A sample of a candidate's incorrect response on Question 9

In Extract 9.2, the candidate listed unclassified items of revenues, expenses and incorrect share of profit with titles 'Joint venture of Mwerevu' and 'Joint venture of Mziwanda' in the books of Mziwanda and Mwerevu respectively, instead of the joint venture accounts in the books of Mziwanda and Mwerevu and the memorandum joint venture account.

### 3.0 ANALYSIS OF CANDIDATES' PERFORMANCE PER TOPIC

The analysis of candidates' performance per topic indicates that the candidates had good performance in the following topics: *Accounting for Joint Businesses* (81.4%), *Books of Prime Entry* (68.9%) and *Accounting for Single Entry and Incomplete Records* (65.8%) The good performance was attributed by adequate knowledge and practical skills of the candidates on the tested topics, ability to understand the questions requirement and provision of proper descriptions of the accounting concepts in their responses, as well as the candidates' ability to write a good English.

Also, the analysis of candidates' responses shows that the candidates' average performance was on the multiple choice question (question number 1). The question was set from the following topics: (*Accounting for Joint Businesses, Consignments, Principle of Double Entry, Columnar Cash Books, Elementary Financial Statements, Books of Prime Entry, Bank Reconciliation, Trial Balance, Government Accounting and Budgeting, Adjustments, Control Accounts, Accounts for Manufacturing Firms, Accounts for Non Profit Making Organizations and Accounting for Department Stores*) (59.7%). Other topics in which the candidates had average performance were: *Introduction to Book Keeping* (55.2%) (question number 4), *Adjustments* (54%) (question number 7 & 8), *Correction of errors* (50.8%) (question number 5) and *Elements of Auditing* (46.2%) (question number 2). The analysis indicates that the average performance of candidates in these topics was attributed by the candidates' partial understanding of the tested accounting concepts and limited analytical and practical skills on the preparation of accounting records and financial statements.

However, the analysis of candidates' responses to the examination questions shows that, in the year 2020's Certificate of Secondary Education Examination, there was no topic which the candidates performed poorly. The candidates' performance per topic is summarized in Appendix A.

## **4.0 CONCLUSION**

The general performance of the candidates in 062 Book Keeping (CSEE) 2020 was good since 65.84 per cent of the candidates passed the examination by A to D score range. In the year 2019, 53.06 per cent of the candidates passed the examination. The candidates' performance rate has increased in the year 2020 by 12.78% compared to 2019. The comparison of the candidates' performance by grades between 2019 and 2020 is summarized in Appendix B.

The analysis of the candidates' performance on each question shows that the candidates had good performance in questions number 9 (81.4%), 3 (68.9%), 8 (68.9%) and 6 (65.8%). The candidates had average performance in questions number 1 (59.7%), 4 (55.2%), 5 (50.8%), 2 (46.2%) and 7 (39.1%).

## **5.0 RECOMENDATIONS**

In order to improve the candidates' performance in Book Keeping subject, the following are recommended:

- (a) By using illustrative examples, teachers should guide students on how to compute depreciation charges using straight line, reducing balance, revaluation and sum of the years' digits methods. They should provide assignments and classroom exercises on how to compute depreciation charges using the aforementioned methods regularly. The students should work on the assignments, present in class and teachers make clarification and guide students to make corrections.
- (b) Teachers should demonstrate how to prepare asset account, provision for depreciation account, asset disposal account, income statement and statement of financial position. They should provide assignments and classroom exercises on the preparation of the mentioned accounts and financial statements regularly. The students should work on the assignments, present in class and teachers make clarification and guide students to make corrections.
- (c) Teachers should put emphasis on the challenging topics such as Correction of Book Keeping Errors by providing assignments and classroom exercises regularly. The students should work on the assignments, present in class and teachers make clarification and guide students to make corrections.

- (d) Teachers should use various sources of information like Library and Internet and guide students in groups to search for the meaning of common terms used in the topics of Introduction to Book Keeping and Elements of Auditing.
- (e) Candidates should be taught how to identify the demands of examination questions and learn how to provide responses that satisfy the requirements of the questions.
- (f) In order to maintain the observed trend of the candidates' performance in the Book Keeping subject for the past four years. Book Keeping subject teachers should continually keep on revising their teaching methods and strategies for the sake of identifying strengths and weaknesses for improvement. They should set high targets for the students and guide them towards achieving the set targets in order to increase the number of candidates scoring grades A, B, C and reduce the number of grade F scorers.

## Appendix A

### The Summary of the Candidates' Performance per Topic

S/N	TOPICS	CSEE 2020			
		Question Number	Percentage of candidates who scored 30% or above	Average	Remarks
1	Accounting for Joint Businesses	9	81.4	81.4	Good
2	Books of Prime Entry	3	68.9	68.9	Good
3	Accounting for Single Entry and Incomplete Records	6	65.8	65.8	Good
4	Accounting for Joint Businesses, Consignments, Principle of Double Entry, Columnar Cash Books, Elementary Financial Statements, Books of Prime Entry, Bank Reconciliation, Trial Balance, Government Accounting and Budgeting, Adjustments, Control Accounts, Accounts for Manufacturing Firms, Accounts for Non Profit Making Organizations and Accounting for Department Stores	1	59.7	59.7	Average
5	Introduction to Book Keeping	4	55.2	55.2	Average
6	Adjustments	8	68.9	54	Average
		7	39.1		Average
7	Correction of Errors	5	50.8	50.8	Average
8	Elements of Auditing	2	46.2	46.2	Average

