TANZANIA HEADS OF ISLAMIC SCHOOLS COUNCIL

FORM SIX INTER ISLAMIC MOCK EXAMINATION

ACCOUNTANCY 2

MARKING SCHEME

2025

1. i) Qualified opinion

This is an auditor opinion issued ~~on~~ when the aditor can not obtained enough efidence for particular financial statement

ii) Unqualified opinion

This is the best auditor opinion which shows a clean report

iii) Adverse opinion

Is an opinion issued when ~~auditor~~ auditor discovers that financial statement doesnot present a fair view of the company financial position

~~IV) Disclaimer opinion~~

IV Diselaimer opinion

It is issued when an auditor is ~~ax~~ unable to obtain enough evidence to form opinion

4 tick @ 2.5

(Total 10 Marks)

2. [illegible]

✓ 5 ticks @ 2
Total 10 Marks

i) Break-even point in units = $$\frac{\text{Fixed cost}}{\text{Weighted average contribution margin per unit}}$$

Calculation of weighted average contribution margin per unit =
(Proportion of Azam cola in total sales x contribution margin per unit) + (proportion of Azam Apple in total sales x contribution margin per unit).

Proportion of unit sold = 500 unit +1,250 units
= 1,750 units

Azam cola: 500/1,250 = 2/7
Azam apple: 1,250/1,750 = 5/7 ✓ 0.5

Calculation of contribution margin per unit.

	Azam cola	Azam apple
Selling price per unit	100,000	150,000
Less: variable cost per unit	64,000	76,500
Contribution margin per unit	36,000	73,500

Weighted average contribution margin per unit = (2/7 x 36,000 + 5/7 x 73,500) = 62,786 ✓ 0.5

Break even point = $\frac{90,000,000}{62,786}$ = 1,433 ✓ 0.5

Azm cola: 1,433 units x 2/7 = 409 units
Azam apple: 1,433 units x 5/7 = 1,024 units ✓ 0.5

≃ 02.5

ii) Break even point revenue = $\frac{\text{Fixed cost}}{\text{Weighted average contribution margin ratio}}$

But contribution margin ratio = $\frac{\text{contribution margin per unit}}{\text{Selling price}}$ x 100. ✓ 0.5

Azam cola: $\frac{36,000}{100,000}$ x 100 = 36%

Azam apple: $\frac{73,500}{150,000}$ x 100 = 49% ✓ 0.5

Weighted average contribution margin = (36% x2/7) + (49% x 5/7) = 45% ✓ 0.5

Break even point revenue = $\frac{90,000,000}{45\%}$ = TZS 200,000,000

Break even point revenue = TZS 200,000,000 ✓ 01

≃ 02.5

iii) Target sales mix in units = $\frac{\text{fixed cost + target profit}}{\text{Weighted average contribution margin per unit}}$ ✓ 0.5

Target sales mix in units = $\frac{90,000,000 + 50,000,000}{62,786}$ = 2,230 units ✓ 01

Target sales mix in units = 2,230 units. ✓ 01

≃ 02.5

iv) Target sales mix in revenues = $\frac{\text{fixed cost + target profit}}{\text{Weighted average contribution margin ratio}}$ 0.5

Target sales mix in revenue = $\frac{90,000,000 + 50,000,000}{45\%}$ = 311,111,111 01

Target sales mix in revenues = TZS 311,111,111. ✓ 01

≃ 02.5

Total 10 Marks

3.

MLIMANI HOTEL
EMPLOYEES' SALARY SLIP FOR JANUARY 2020

Details	NADIYA M TZS	AYMAN TZS
Basic salary	200,000	180,000
Add: Meals allowance	20,000	18,000
Transport allowance	40,000	36,000
Responsibility allowance	275,000	240,750
Overtime allowances	15,000	6,750
Gross salary	550,000	481,500
Less: PAYE	220,000	192,600
Salary advance	150,000	95,000
Staff loan	170,000	115,000
Net salary	10,000	78,900

WORKINGS:

(i) Basic salary= Normal hourly rate in TZS ×Basic hours fixed per month
Nadiya M = 200 hours × 1,000= TZS 200,000
Ayman = 200 hours × 900= TZS 180,000

(ii) Meals allowance =10% of basic salary
Nadiya = 200,000 × 10%= TZS 20,000
Ayman = 180,000 × 10% = TZS 18,000

(iii) Transport allowance 20% of basic salary
Nadiya = 200,000 × 20% = TZS 40,000
Ayman = 180,000 × 20% = TZS 36,000

(iv) Overtime allowance =Normal hourly rate × factor × hours in excess
Nadiya= 1,000 × 1.5 × 10 = TZS 15,000
Ayman = 900 × 1.5 × 5 = TZS 6,750

(v) Gross salary= Basic salary + total allowance
NADIYA
Gross salary= Basic salary + meals + transport + responsibility + overtime
= 200,000 + 20,000 + 40,000 + 0.5X + 15,000
X= 550,000

AYMAN
Gross salary = 180,000 + 18,000 + 0.5X + 6,750
X= 481,500

(vi) Responsibility allowance =50% of gross pay

Nadhya=550,000 × 50% = TZS 275,000

Murida = 481,500 × 50% = TZS 240,750

(vii) PAYE = 40% of gross pay

Nadhya= 550,000 × 40% = TZS 220,000

Ayman= 481,500 × 40% = TZS 192,600

20 tick @ 0.5
(Total 10 Marks)

4.

TRADERS

CALCULATION OF CLOSING MOSHI INVENTORY

FIFO	LIFO	AVCO
Units consists of November units	Units consists of opening & Feb	Units are average of all units
1,600 × 1,200 = 1,920,000	900 × 1,000 = 900,000	Total cost/total units
	700 × 1,110 = 777,000	6,686,000/7,500=891.47
	1,677,000	891.47 × 1,600 =1,426,352

CALCULATION OF COST OF GOODS SOLD:

FIFO	LIFO	AVCO
COGS=	COGS=	COGS=
COGAS-Ending inventory	COGAS-Ending inventory	Cost per unit × Sold units
COGAS:	COGAS:	891.47 × 5,900 = 5,259,673
=900 × 1,000= 900,000	=900 × 1,000= 900,000	Cost of goods sold=5,259,673
=1,300 × 1,110=1,443,000	=1,300 × 1,110=1,443,000	
=1,400 × 1,130=1,582,000	=1,400 × 1,130=1,582,000	
=1,900 × 190= 361,000	=1,900 × 190= 361,000	
=2,000 × 1,200 = 2,400,000	=2,000 × 1,200 = 2,400,000	
=6,686,000	=6,686,000	
COGS=6,686,000-1,920,000	COGS=6,686,000-1,677,000	
Cost of goods sold=4,766,000	Cost of goods sold =5,009,0000	

10 tick @ 1 Mark
(Total 10 Marks)

5. a) **40 Ticks @0.5 Mark = 20 Marks.**

SAKINA STORE

CASES INVENTORY ACCOUNT

DR | CR

	Q	R	A		Q	R	A
1.1.2021 Balance b/d:				Return to suppliers	20		46,400
Warehouse	400	2,000	800,000	Cases kept	600	3,200	1,920,000
Customer	1,200	2,000	2,400,000	Cases destroyed b/repair	40		
Purchases	800	2,400	1,920,000	Cases damaged and sold	20	800	16,000
Repair cost			224,000	Hiring charge			8,000,000
Profit			8,078,400	31.12.2021 Balance c/d:			
				Warehouse	320	2,000	640,000
				Customer	1,400	2,000	2,800,000
	2,400		13,422,400		2,400		13,422,400
1.1.2022 Balance b/d:							
Warehouse	320	2,000	640,000				
Customer	1,400	2,000	2,800,000				

CASES SUSPENSES ACCOUNT

DR | CR

	Q	R	A		Q	R	A
Cases kept	600	3,200	1,920,000	1.1.2021 Balance b/d	1,200	3,200	3,840,000
Returnable case	9,200	3,200	29,440,000	Cases sent	10,000	4,000	40,000,000
Hiring charge			8,000,000				
31.12.21 Balance c/d	1,400	3,200	4,480,000				
	11,200		43,840,000		11,200		43,840,000
				1.1.2022 Balance b/d	1,400	3,200	4,480,000

STATEMENT OF FINANCIAL POSITION AS 31ST DECEMBER 2021

	TZS
Current assets:	
Inventory cases:	
Warehouse	640,000
Customer	2,800,000
Current liabilities:	
Cases suspense	4,480,000

a) 40 ticks @ 0.25

Total 10 Marks

5 b)

ROYALTY TABLE.

YEARS	PRODUCTION	ACTUAL ROYALTY	MINIMUM RENT	S.W	S.W.R	S.W.IRR	PAYMENT
2014	1000	5000,000	2,500,000	~~2500,000~~	-	~~2500,000~~	5000,000
2015	2000	10,000,000	2,750,000	-			10,000,000
2016	10,000	50,000,000	3,000,000	-			50,000,000
2017	15000	75,000,000	3,250,000	-			75,000,000

Dr. ROYALTY PAYABLE A/C. Cr

2014 Mr. Lake	5000,000	2014 Manufacturing	5000,000
2015 Mr. Lake	10,000,000	2015 Manufacturing	10,000,000
2016 Mr. Lake	50,000,000	2016 Manufacturing	50,000,000
2017 Mr. Lake	75,000,000	2017 Manufacturing	75,000,000

MR. LAKE A/C.

31/12/2014 Balance c/d.	5000,000	31/12/2014 Royalty Payable	5000,000
31/01/2015 Bank	5000,000	01/01/2015 Balance b/d	5000,000
31/12/2015 Balance c/d.	2750,000	31/12/2015 Royalty Payable	2750,000
	7750,000		7750,000
31/01/2016 Bank	10,000,000	1/1/2016 Balance b/d	2750,000
31/12/2016 Balance c/d	50,000,000	31/12/2016 Royalty Payable	50,000,000
	60,000,000		60,000,000
31/01/2017 Bank	50,000,000	1/1/2017 Balance b/d	50,000,000
31/12/2017 Balance c/d	75,000,000	31/12/2017 Royalty Payable	75,000,000
	125,000,000		125,000,000
		01/01/2018 Balance b/d	75,000,000

b) 23 tick @ 0.45

(Total 10 Marks)

a) Mark + b) Marks

(TOTAL 20 Marks)

6. **38 Ticks @0.52 = 20 Marks.**

In the books of Hamis

BUS ACCOUNT✓

Dr			Cr
Africars	300,000✓	Balance c/d	300,000✓
	300,000		300,000
Balance b/d	300,000✓	Balance c/d	300,000✓
Balance b/d	300,000✓	Africars	132,413✓
		Depreciation	90, 000✓
		Loss	77,587✓
	300,000		300,000

AFRICARS LTD ACCOUNT✓

Dr			Cr
Bank	75,000✓	Bus account	300,000✓
Bank installment	45,000✓	H.P interest	11,250✓
Balance c/d	191,250✓		
	311,250		311,250
Bank installment	45,000✓	Balance b/d	191,250✓
Bank installment	45,000✓	H.P interest	19,125✓
Balance c/d	120,375✓		
	210,375		210,375
	132,413✓	Balance b/d	120,375✓
		H.P interest	12,038✓
	132,413		132,413

HP INTEREST ACCOUNT

Dr			Cr
Africars Ltd	11, 250✓	Income statement	11, 250✓
Africars Ltd	19,125✓	Income statement	19,125✓
Africars Ltd	12,038✓	Income statement	12,038✓

PROVISION FOR DEPRECIATION ACCOUNT

Dr			Cr
Balance c/d	30,000✓	Income statement	30,000✓
		Balance b/d	30,000✓
Balance c/d	90,000✓	Income statement	60,000✓
	90,000		90,000
Bus account	90,000✓	Balance b/d	90,000✓

38 ticks @ 0.52

(Total 20 Marks)

7. STATEMENT OF FINANCIAL POSITION AS AT AFTER AMALGAMATION.

DETAILS	TZS	TZS	TZS
ASSETS			
NON-CURRENT ASSETS			
Goodwill			130,000,000
Premises			80,000,000
Plant and machinery			65 600,000
			275 600,000
CURRENT ASSETS			
Stock/Inventory		85 000 000	
Accounts Receivable		103,600,000	
Cash		9,000,000	
			197 600,000
			473 200,000
FINANCED BY:			
Capital Accounts			
- S. Mustafa			74 600,000
- Kilima			116 200,000
- Daudi			96 200,000
- Othman			76 200,000
			363 200,000
CURRENT LIABILITIES			
Accounts Payable			110,000,000
			473 200,000

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7. A: IN THE BOOKS OF S. Mustafa

REVALUATION A/C

DR			CR
Accounts Receivables	2 400,000	Plant and Machinery	7 000,000
S. Mustafa Capital	4 600,000		
	7 000,000		7000,000

B: IN THE BOOKS OF Kilima, David AND Othman

REVALUATION A/C.

DR			CR
Plant & Machinery	1 400,000	Premises	20 000,000
Profit on revaluation:			
Kilima Capital	6 200,000		
David Capital	6 200,000		
Othman Capital	6 200,000		
	22,000,000		20,000,000

24 tick @ 0.833

(Total 20 Marks)

8. [illegible]

Dr **CASH/ BANK ACCOUNT** **Cr**

Balance b/d	49,000	Redeemable pref. shareholders	55,000
Ordinary shareholder	42,000	Balance c/d	36,000
	91, 000		91, 000
Balance b/d	36,000		

Dr **ORDINARY SHAREHOLDERS ACCOUNT** **Cr**

Ordinary share capital	40,000	Cash/ bank	42,000
Share premium	2,000		
	42, 000		42,000

Dr **ORDINARY SHARECAPITAL ACCOUNT**
Cr

Balance c/d	140,000	Balance b/d	100,000
		Ordinary shareholders	40,000
	140,000		140,000
		Balance b/d	140,000

Dr **SHARE PREMIUM ACCOUNT** **Cr**

Balance c/d	2,000	Ordinary shareholders	2,000
		Balance b/d	2, 000

Dr **5% REDEEMABLE P. SHARE CAPITAL ACCOUNT** **Cr**

Redeemable pref. shareholder	5,000	Balance b/d	5,000

Dr **REDEEMABLE PREF. SHAREHOLDERS ACCOUNT** **Cr**

Cash/ bank	55,0000	5% Red. Pref. share capital	50,000
		Premium on redemption	5,000
	55,000		55,000

Dr **PREMIUM REDEMPTION ACCOUN** **Cr**

Redeemable pref. shareholder	5,000	Profit and loss	5,000

40 ticks @ 0.5

(Total 20 Marks)

Dr **C.R.R ACCOUNT** **Cr**

Balance c/d	8,000	Profit and loss	8,000
		Balance b/d	8,000

Dr **PROFIT AND LOSS ACCOUNT** **Cr**

C.R.R	8,000	Balance b/d	27,000
Premium on redemption	5,000		
Balance c/d	12,000		
	27, 000		27,000
		Balance b/d	12,000

BALANCE SHEET REVISED

14,000 ordinary share capital of 10/= @	140,000	Fixed assets	139,000
General reserve	25,000	Current assets	62,000
Profit and loss	14,000	Bank	36,000
5% debentures	30,000		
C.R.R	8,000		
Share premium	2,000		
Current liabilities	18,000		
	237,000		237,000