



CAMEROON GENERAL CERTIFICATE OF EDUCATION BOARD
 Technical and Vocational Education Examinations

INTERNATIONAL FINANCIAL ACCOUNTING/COMPUTER AIDED ACCOUNTING 1
5015

JUNE XXXX

INTERMEDIATE LEVEL

Centre No. & Name	
Candidate No.	
Candidate Name	

Mobile phones are **NOT** allowed in the examination room.

5015 INTERNATIONAL FINANCIAL ACCOUNTING/COMPUTER AIDED ACCOUNTING: MULTIPLE CHOICE QUESTION PAPER

1 hour 30 minutes

INSTRUCTIONS TO CANDIDATES

Read the following instructions carefully before you start answering the questions in this paper. Make sure you have a soft HB pencil and an eraser for this examination.

1. USE A SOFT HB PENCIL THROUGHOUT THE EXAMINATION.
2. DO NOT OPEN THIS BOOKLET UNTIL YOU ARE TOLD TO DO SO.

Before the examination begins:

3. Check that this question booklet is headed “**Intermediate Level – 5015 5015 INTERNATIONAL FINANCIAL ACCOUNTING/COMPUTER AIDED ACCOUNTING 1.**”
4. Insert the information required in the spaces above.
5. Insert the information required in the spaces provided on the answer sheet using your HB pencil:

Candidate Name, Exam Session, Subject Code, Centre Number and Candidate Number.

Take care that you do not erase or fold the answer sheet or make any marks on it other than those asked for in these instructions.

How to answer the questions in this examination:

6. Answer **ALL** the **50** questions in this Examination. All questions carry equal marks.
7. Each question has **FOUR** suggested answers: **A, B, C** and **D**. Decide which answer is correct. Find the number of the question on the Answer Sheet and draw a horizontal line across the letter to join the square brackets for the answer you have chosen.
 For example, if **C** is your correct answer, mark **C** as shown below:
 [A] [B] [C] [D]
8. Mark only one answer for each question. If you mark more than one answer, you will score a zero for that question. If you change your mind about an answer, erase the first mark carefully, then mark your new answer.
9. Avoid spending too much time on any one question. If you find a question difficult, move on to the next question. You can come back to this question later.
10. Do all rough work in this booklet, using, where necessary, the blank spaces in the question booklet.
11. **You must not take this booklet and the answer sheet out of the examination room. All question booklets and answer sheets will be collected at the end of the examination.**

Turn Over

1. The trial balance if it fails to agree the difference should be:

A	Transferred to the balance sheet
B	Written off against the profit and loss account
C	Entered in the suspense account
D	Entered in the capital account

2. What effect does a loss have on the net worth of a business?

A	It has no effect on net worth
B	It decreases net worth
C	It increases net worth
D	It is a form of drawings

3. Which of the following best describes depreciation?

A	The residual value of a non-current asset
B	The part of the cost of fixed assets used up during its period of use by the firm
C	The replacement value of non-current assets
D	The amount set aside to replace non-current assets

4. Accounting is only concerned with transactions that have a

A	Monetary value
B	Useful value
C	Reliable source
D	Economic value

5. Which of the following double entry treatment in the books will be correct for a credit sale goods for F CFA 2,000,000?

A	Debit sales ledger F CFA 2,000,000	Credit receivables F CFA 2,000,000
B	Debit sales F CFA 2,000,000	Credit receivables F CFA 2,000,000
C	Debit receivables F CFA 2,000,000	Credit sales F CFA 2,000,000
D	Debit receivables F CFA 2,000,000	Credit sales ledger F CFA 2,000,000

6. AGHI paid F CFA 48,000 for Two years of insurance coverage on July1, 2017. The company prepares financial statements to July 31, each year. What is the amount of insurance expense for the year to July 31, 2017?

A	48,000 CFAF
B	2,000 CFAF
C	24,000 CFAF
D	46,000 CFAF

7. An allowance paid to a worker as a result of his/her contribution to the sale of goods or services is known as ;

A	Salary
B	Wages
C	Commission
D	Fringe benefits

8. The claim of a business owner to the business is called;

A	Liabilities
B	Owner's equity
C	Revenue
D	Withdrawals

9. Which of the following is the account that would be debited when supplies are purchased for cash?

A	Cash
B	Owner's equity
C	Accounts payable
D	purchases

10. Which of the following is the accounting equation?

A	Assets – Net income = Owner's equity
B	Assets + Liabilities = Owner's equity
C	Assets = Liabilities + Owner's equity
D	Assets + Liabilities = Net income

11. The modern banking and financial services of banks with the help of mobile telecommunication devices is known as...

A	Mobile money
B	Money transfer
C	Mobile banking
D	Automatic teller machine (ATM)

12. Under which of the following headings in the statement of financial position for the year end 2014 should rents for the financial year end 2015 paid in 2014 financial appear under

A	Fixed assets
B	Current assets
C	Current liabilities
D	Long-term liabilities

13. Given that the cost of price for goods amounted to F CFA 250,000 and the firm's margin is 20%, what should be the value of the firm's sales?

A	200,000 CFAF
B	275,000 CFAF
C	300,000 CFAF
D	312,000S CFAF

14. DEXTEL and DENZEL are in partnership sharing profits and losses $\frac{3}{4}$ and $\frac{1}{4}$ respectively. Within a period they made a loss of F CFA 1,200,000, what will DEXTEL's share of the loss be?

A	300,000 CFAF
B	900,000 CFAF
C	1,200,000 CFAF
D	600,000 CFAF

15. Members of a non-profit organization, contribute annually to finance the activities of the organization known as:

A	Capital
B	Shares
C	Debentures
D	subscriptions

16. Determine the value of purchases from the following data: Accounts payable as at January 1st, 2015 = F CFA 25,000,000; as at January 31st, 2015 = F CFA 42,000,000. Cash payments to creditors I January 2015 = F CFA 32,000,000. Then the purchase for the period is

A	32,000,000 CFAF
B	42,000,000 CFAF
C	25,000,000 CFAF
D	49,000,000 CFAF

17. Which of the following grouping represents assets under the heading current assets in the statement of financial position?

A	Inventory; debtors; creditors; cash in hand
B	Debtors; cash in hand; cash at bank; inventory
C	Creditors; cash at bank; cash in hand; fixtures and fittings
D	Cash in hand; cash at bank; fixtures and fittings

18. A and B partnership business has the following data extracted from the statement of financial position as at December 31st 2014: (amount in 000 F CFA); Land and buildings 11,000; inventory 8,000; bank overdraft 3,000; payables 1,500; motor van 5,000. Another business is considering taking over the A and B partnership business for a consideration of 24,000. How much will be the value of goodwill?

A	19,400,000 CFAF
B	19,400 CFAF
C	4,500,000 CFAF
D	4,500 CFAF

19. In what way can the capital of an enterprise that keeps incomplete records be determined at the beginning of the period ?

A	By preparing an opening trial balance
B	By assumption and estimation
C	By trial and error method
D	By preparing an opening balance sheet for the enterprise

20. The process of splitting expenses between various departments on the logical basis is known as:

A	Allocation
B	Allotment
C	Apportionment
D	Absorption

21. Working capital is :

A	Total assets less current liabilities
B	Fixed assets plus current assets
C	Current assets less current liabilities
D	Assets less liabilities

22. Which of the following statement is correct?

Effect upon

Assets Liabilities Capital

A	Paid cash into bank	-bank	+cash	no effect
B	Received cash as loan	+cash	+loan	no effect
C	Paid salaries by cheque	-bank	no effect	+capital
D	Paid creditors by cash	-cash	no effect	-creditors

23. Which of the accounts will be credited, if the business bought goods on credit from Mr Zu?

A	Purchases account
B	Mr Zu's account
C	Cash account
D	Sales account

24. Which of the following best describes sales ?

A	Sale of goods for cash only
B	Sale of items bought for business use
C	Sale of goods on credit
D	Sale of items which were bought with the original intension of reselling them

25. In a business record, it was discovered that a cheque for F CFA 5,000,000 received from a customer YOUNG was correctly entered in the bank account but was debited to the customer's account. Which of the following journal entries is the right entry to correct the error?

A	Debit customer YOUNG's bank account with F CFA 10,000,000 credit sales account with F CFA 10,000,000
B	Debit bank account with F CFA 5,000,000 credit suspense account with F CFA 5,000,000
C	Debit suspense account F CFA 10,000,000 credit customer YOUNG's account F CFA 10,000,000
D	Debit suspense account with F CFA 5,000,000 credit customer YOUNG's account with F CFA 5,000,000

26. The excess of each departments sales over its costs of goods sold is

A	Gross profit
B	Gross loss
C	Surplus
D	Deficit

27. Current assets in the partnership statement of financial position should be in descending order of liquidity. Which of the following order is correct?

A	Cash; Bank; Receivables and Inventory
B	Bank; Cash; Receivables and Inventory
C	Inventory; Receivable; Bank and cash
D	Receivables; Inventory, Bank and cash

28. MODESTINE YUH owns a Bagel shop as a sole proprietorship. She includes her personal home, car and boat on the books of her business. Which of the following is violated?

A	Entity concept
B	Going concern concept
C	Cost principle

D	Reliability concept
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29. What is the measure of how quickly an item can be converted into cash?

A	Margin
B	Liquidity
C	Profitability
D	Leverage

30. What items should be matched according to the matching principle?

A	Debits with credits
B	Assets with liabilities
C	Expenses with revenue
D	Accruals with prepayments

31. Anticipating no gain but providing for all probable losses can be most closely associated with which of the following

A	Prudence principle
B	Disclosure principle
C	Consistency principle
D	Materiality principle

32. Where there is no partnership agreement, profits and losses should be shared:

A	In proportion to capital contributions
B	Equally
C	In proportion to capital account balances
D	Re-invested in the business until an agreement is made

33. A reduction in the cost of goods for bulk buying is called;

A	Cash discount
B	Trade discount
C	Bad debts
D	Returns inwards

34. The bank on which a cheque is drawn is known as:

A	The drawer
B	The payee
C	Drawee
D	Banker

35. How should subscriptions for a future period received in the current accounting period be treated in the financial statement?

A	An income
B	An expense
C	An asset
D	A liability

36. Personal accounts contain records of;

A	Assets and liabilities
B	Income and expenditures
C	Receivables and payables
D	Transactions with the proprietor of the business

37. Which of the following balances is normally a debit?

A	Sales revenue
B	Sales returns and allowances
C	Discount received
D	Gross profit

38. A trial balance contains which types of accounts?

A	Assets
B	Revenue and expenses account
C	All ledger accounts
D	Assets and revenue accounts

39. What is Net Book Value?

A	The sum of all the depreciation recorded for the asset
B	The cost of the depreciable asset
C	The cost of the depreciable asset divided by the useful life
D	The cost of the depreciable asset minus accumulated depreciation

40. Items recorded on the debit side of a bank statement but not on the credit side of the cash book have the following effect on the business bank account balances;

A	The bank balance will be overstated
B	The bank balance will be understated
C	The account will show an overdraft
D	No effects will be recorded with accounts

41. Why should firms create provisions in the accounting records?

A	To recognise the possibilities of profits in the future
B	To comply with the recommendation of auditors
C	It a management precaution
D	To take care of possible losses in the future

42. When a buyer is satisfied with the terms provided by the seller he can express his needs for the goods to be supplied using which document?

A	Pro-forma invoice
B	Goods received note
C	Purchase order
D	quotation

43. Accounting can be defined as a technique of recording business affairs in an orderly and logical fashion so that some useful _____ may be extracted from such records

A	Cash
B	Profit
C	Information
D	Business

44. Which of the following is true about bank reconciliation?

A	It is drawn up by the bank to check if all entries in the bank statement have been entered in the cash book
B	It is a statement sent by the bank to its customers money has been over withdrawn
C	It is drawn up by a current account holder to verify why its cash book has not balanced with the bank statement balance
D	It is used when bank charges have been entered in the bank statement

C	Receivables and payables
D	Transactions with the proprietor of the business

47. The process of selling a non-current asset is known as?

A	Disposal
B	Sale
C	Liquidation
D	acquisition

48. The quick ratio is a measure of

A	The relationship between current assets (less inventory) and current liabilities
B	The relationship between assets and current liabilities
C	The relationship between current assets and current liabilities
D	The relationship between fixed assets and current liabilities

45. Which principle in accounting state that for every transaction there must be at least one debit entry and a corresponding credit entry

A	Bookkeeping
B	Double entry
C	Balancing
D	Posting

49. Which of the following statement best describes a gross profit ?

A	Sales less expenses
B	Invoiced sales less purchase of inventory
C	Net profit less business expenses
D	Sales less cost of goods sold

50. Which of the following will best describe a trial balance ?

A	It shows the financial position of the business
B	It is a list of balances from the ledger
C	It is used to determine the result of operations
D	It is a final account

46. Which of the following are contained in personal accounts?

A	Assets and liabilities
B	Income and expenditures

STOP – GO BACK AND CHECK YOUR WORK