GENERAL CERTIFICATE OF EDUCATION BOARD
Technical and Vocational Education Examination

INTERNATIONAL FINANCIAL ACCOUNTING 1
5015

JUNE 2021

INTERMEDIATE LEVEL

Specialty Name (Specialty Acronym)	ACCOUNTING (ACC)
Centre No. & Name	
Candidate Identification No.	
Candidate Name	

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

5015 INTERNATIONAL FINANCIAL ACCOUNTING 1: 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.
- OHADA CHARTS OF ACCOUNTS ARE NOT ALLOWED.
- NON PROGRAMMABLE CALCULATORS ARE ALLOWED

Before the examination begins:

3. Check that this question booklet is headed **"Intermediate Level – 5015 INTERNATIONAL FINANCIAL 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 and Candidate Identification 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. **At the end of the examination, the invigilator shall collect first the answer sheet and then the question booklet. DO NOT ATTEMPT TO LEAVE THE EXAMINATION HALL WITH IT.**

Turn Over

1. Which of the following items is a current liability?
   A Expenses accrued
   B Accounts receivable
   C Stock
   D Bank loan

2. Identify the capital expenditure
   A Petrol for Motor van
   B Repairs of Motor van
   C Acquisition of Motor van
   D Repainting of Motor van

3. The error where the correct amount is recorded in a wrong account because the names are similar is known as error of
   A Principle
   B Omission
   C Transposition
   D Commission

4. You are provided with the following information:
   - Purchases 630,000 FCFA
   - Opening stock 51,000 FCFA
   - Closing stock 75,000 FCFA
   - Carriage inwards 23,000 FCFA

   Calculate the cost of sales
   A 606,000 FCFA
   B 629,000 FCFA
   C 859,000 FCFA
   D 399,000 FCFA

5. Calculate the annual depreciation of an asset which costs 6 400,000 FCFA with life span of 5 years if it is disposed for 400,000 FCFA
   A 1,280,000 FCFA
   B 1,360,000 FCFA
   C 1,200,000 FCFA
   D 1,320,000 FCFA

6. For a business that keeps incomplete records the opening capital is determined by
   A Preparing the statement of affairs
   B Preparing the opening Trial balance
   C Estimation
   D Adding assets and liabilities

7. A customer who settles his accounts on time, will receive which type of discount
   A Rebate
   B Cash discount
   C Trade discount
   D Bonuses

8. The statement excess of current assets over currents liabilities refers to
   A Working capital
   B Capital used
   C Capital employed
   D Returns on capital

9. A debit balance brought down in a customer`s account means?
   A There is a doubtful debt
   B We owe the customer
   C The customer is owing us
   D The credit side is more than the debit side

10. If goods are sold on credit, which book of original entry is used to record the entries
    A Sales day book
    B Purchases Journal
    C Cash book
    D Trial balance

11. In a non-profit making organisation, a summary of cash inflow and cash outflow is recorded in the
    A Profit and loss account
    B Receipt and payment account
    C Bank account
    D Income and expenditure Account

12. A business is said to be solvent if it
    A Can provide the capital required
    B Liabilities exceed Assets
    C Assets exceeds liabilities
    D Unable to pay its debt.

13. Partners who maintain fixed capital accounts have their share of profit
    A Debited to the partner`s current account
    B Credited to the partner`s capital account
    C Debited to the partner`s capital account
    D Credited to the Partner`s Current account

14. Which of the following is a current liability?
    A Fittings
    B Accrued income
    C Stock
    D Sales ledger control

15. Identify the nominal account
    A Capital
    B Drawings
    C Stationery
    D Purchases ledger control

16. The accounting document used to record items in the cash book is
   A cheque
   B credit note
   C deposit slip
   D receipt

17. The total fixed asset of a business is 5,500,000 FCFA, capital 7,000,000 FCFA and working capital is 1,375,000 FCFA. Calculate the capital employed
   A 1,500,000 FCFA
   B 6,875,000 FCFA
   C 7,000,000 FCFA
   D 12,500,000 FCFA

18. Which one of the following is a bank charge?
   A Credit card levies
   B Overdraft
   C Cash handling fees
   D Loan

19. Net wage is the amount
   A calculated for overtime
   B deducted from the wage of a worker
   C paid out to a worker
   D that the worker agreed to work for.

20. The following will appear as current asset in the Balance sheet
   A Bank overdraft
   B Expenses paid
   C Short term Loan
   D Insurance paid in advance

21. IFRS means
   A International Financial Reporting and Standards
   B International Financial Reports Standards
   C International Financial Reports and Statistics
   D International Financial Reporting Statements

22. The owner paid for advertisement for a new business by cheque, what is the effect on the accounting equation?
   A Decrease assets and decrease owners' Equity
   B Decrease assets and increase liabities
   C Increase assets and decrease Owner`s Equity
   D Decrease assets and decrease owners' Equity

23. Choose the correct transaction to be recorded in a purchase day book
   A Purchase of goods by cash
   B Sold goods to Tina and sons on credit
   C Purchase of goods by cheque
   D Bought goods on credit

24. Net profit is recorded on the
   A Debit side of the balance sheet
   B Credit side of the capital Account
   C Debit side of the Profit and loss account
   D Debit side of drawings account

25. The term liquidity means
   A A business can meet its short term liabilities
   B The financial position of a business
   C The financial result of a business
   D Total current assets less total current liabilities

26. Prime cost includes
   A Direct Labour and factory expenses
   B Direct expenses and raw material consumed
   C Direct expenses and overhead expenses
   D Direct labour and administrative expenses

27. If Ojong takes goods from his business for personal use, which concept stresses on this transaction?
   A Accrual
   B Matching
   C Separate entity
   D Prudence

28. Contra entries means
   A An item will affect both the sales ledger and the purchase ledger
   B One transaction will affect both the cash and bank accounts
   C A single transaction is likely to affect the trading and profit and loss account
   D One transaction affect both the sales edger and the cash book.

29. Wages paid is an
   A Asset
   B Owner`s Equity
   C Income
   D Expense

30. A cash book that has a discount column is a
   A Petty cash book
   B Two column cash book
   C Three column cash book
   D Single column cash book

31. In a departmental accounts, common cost between departments are
   A Apportioned
   B Allocated
   C Avoided
   D Excluded

32. Depreciation is the gradual fall in value of
   A current assets
   B liabilities
   C non- current assets
   D assets

33. In a non-profit organisation, the term accumulated fund is used to describe
   A sales
   B purchases
   C profit
   D capital

34. Ordinary shareholders of a company are
   A owners of the company
   B shareholders of the company
   C customers of the company
   D creditors of the company

35. Being able to pay debts as the fall due by a firm is referred to as being
   A successful
   B insolvent
   C profitable
   D liquid

36. When a cheque is received from a customer the amount is
   A credited to the cash book bank column
   B debited to the cash book cash column
   C debited to the cash book bank column
   D credited to the cash book bank column

37. The opening capital of a business is 250,000 FCFA. Within the year 75,000 FCFA was added as capital and at the end of the year drawings were 50,000 FCFA while the closing capital was 350,000 FCFA. The profit of the business was
   A 75,000 FCFA
   B 65,000 FCFA
   C (10,000) FCFA
   D 125,000 FCFA

38. A credit balance from a trial balance implies
   A total debit is more than total credit
   B suspense account will be debited
   C suspense account will be credited
   D no suspense account will be used

39. The trading account is prepared to determine
   A net profit
   B gross loss
   C net Profit or loss
   D gross profit or loss

40. Enterprises are classified per
   A nature of activity ownership and money
   B ownership , size and nature of activity
   C scope and capital
   D ownership, size, scope

41. Given that opening debtors of T&T is 11,500 FCFA, sales 48,000 FCFA and receipt from debtors 45,000 FCFA, the value closing debtors total is ?
   A 8500 FCFA
   B 83,500 FCFA
   C 18,500 FCFA
   D 14,500 FCFA

42. The difference between the two sides of an account is known as
   A balance
   B total
   C amount
   D difference

43. An example of a Revenue Expenditure is
   A fixed asset
   B stock
   C motor vehicle
   D purchases

44. Liquid asset refers to
   A all non-current assets
   B cash only
   C cash and cash equivalences
   D all current asset

45. Returns inward will reduce
   A purchase
   B sales
   C closing stock
   D opening stock

46. Manufacturing accounts are prepared to calculate the
   A production cost in a year
   B total cost of goods produced
   C production cost of goods completed
   D gross profit of goods produced

47. Tanta makes sales of 150,000 FCFA at a margin rate of 20%, determine the cost of sales
   A 130,000 FCFA
   B 140,000 FCFA
   C 150,000 FCFA
   D 120,000 FCFA

48. Cash paid by the main cashier as Imprest for petty cash transactions is record on
    A credit of cash account
    B debit of cash account
    C debit of Imprest account
    D credit of Imprest account

49. The ability for a company to settle its obligation can be measured by
    A profitability ratio
    B solvency ratio
    C efficiency ratio
    D capital structure ratio

50. What is the effect of credit purchase of a machine on the accounting equation?
    A Asset increase and Liabilities increase
    B Asset increase and Liabilities reduce
    C Asset reduce and Liabilities increase
    D Asset reduce and Liabilities reduce

STOP
GO BACK AND CHECK YOUR WORK