

GENERAL CERTIFICATE OF EDUCATION BOARD

Technical and Vocational Education Examination

OHADA FINANCIAL ACCOUNTING 2

5005

JUNE 2022

INTERMEDIATE LEVEL

Specialty Name and Acronym	ACCOUNTING (ACC) AND SECRETERIAL ADMINISTRATION AND COMMUNICATION (SAC)
Subject Title	OHADA FINANCIAL ACCOUNTING
Subject Code No.	5005
Paper No.	2

Duration: Two and a half hours

INSTRUCTIONS TO CANDIDATES

This Paper has EIGHT Questions. Answer ANY FIVE

Each Question carries 20marks.

You are allowed to use OHADA CHART OF ACCOUNT and CALCULATORS.

You must use ONLY blue or black ink. No answer in pencil will be marked.

All appendices filled or completed should be handed in with your answer booklet.

All necessary calculations must be shown.

You are reminded of the necessity for good English and orderly presentation in your answers.

Turn Over

1. You work as an accountant in BOUBA and Co. Ltd (PO BOX 1021 Douala, Tel: 651 36 25 91 A/C No 9875 BICEC Douala). On the 06/09/2020, BOUBA supplied the following goods to CAMI Enterprise (BP 0491, Dschang, Tel: 695 61 4111, A/C No 5025360 SGBC Dschang)

- 200 cartons of biscuits at 6,000FCFA each.
- 220 bags of salt at 2,000FCFA each
- 30 bags of rice at 612,000FCFA
- 88 cartons of sugar at 748,000FCFA
- Transport invoiced 84,930FCFA

For more information, see appendix 1

After receiving the goods, CAMI enterprise realized that 100 cartons of biscuits were not of good quality, so he sent them (100 cartons) back on 10/09/2020, incurring a transportation cost of 16,936FCFA before tax. Upon reception of the biscuits, BOUBA and Co Ltd prepared the credit note No CN 2014 (see appendix 2).

For commands above 2000 000FCFA, a rebate of 5%, trade discount of 2% and cash discount of 1% to encourage prompt payments is granted. VAT 19.25%.

On 15/09/20 CAMI enterprise settled invoice no DI 211 by cheque No 00289 (Appendix 3), after subtracting the value of the credit invoice No CN2014.

Required:

- i. Complete appendices 1, 2 and 3 (13 marks)
- ii. Journalize all the documents (7 marks)

TOTAL (20 marks)

2. During the month of February 2019, the movement of stock of rice in ETS ALL FOR GOD was as follows:

01/02/2019 - Opening stock 200 bags at 16,000FCFA a bag

05/02/2019 - Purchase 100 bags at 16,300FCFA a bag

10/02/2019 - Sales 150 bags

12/02/2019 - Purchases 200, bags at 16,800 FCFA a bag

15/02/2019 - Sales of 120 bags

20/02/2019 - Purchases, 80 bags at 16,250FCFA a bag

22/02/2019 - Purchases 120 bags at 16,200FCFA a bag

25/02/2019 - Sales of 225 bags

27/02/2019 - Purchases of 150 bags at 16 500FCFA a bag

Required:

- i. Present the stock situation of rice in MOWUB Ltd, using the weighted average cost after each entry method (use appendix 4) (18 marks)
- ii. Name two other methods of stock valuation (2 marks)

TOTAL (20 marks)

3. The transactions of Mr. SENDGE's enterprise are presented for the month of September, 2020 as follows:

September 1. He started a business with bank cheque 8000,000FCFA and inserted 4000,000FCFA cash into the business.

September 2. Bought equipment worth..2,400,000FCFA.

September 3. Purchase of goods by cheque..190,000FCFA.

September 5. Sales of goods, payment by cheque...100,000FCFA.

September 10. Purchase of goods by cheque....150,000FCFA

September 15. Cash deposit into the bank..70,000FCFA

September 19. Cash sales of goods...94,000FCFA

September 23. Cash payment of salaries... 140,000FCFA

September 27. Sales of goods by cheque... 90,000FCFA

September 30. Purchase of office stationery by cheque.. 120,000FCFA

Required:

- i. Record the above transactions in the journal. (14 marks)
 ii. Post the Journal entries into the T Accounts. (6 marks)

TOTAL (20 marks)

4.

- A. Mr. Elad Mark is working for the Pamol Ltd and is in category 6, echelon F. During the month of January 2020, the following data was extracted from his time card:

1 st week	16 hours and 2 hours between 10PM to 5AM
2 nd week	50 hours
3 rd week	40 hours and 3 hours at night
4 th week	60 hours

Having a basic monthly salary of 182,304 FCFA

Required:

- i. Calculate the hourly rate for Mr Elad Mark given that the statutory monthly duration of work is 173.333 hours. (4 marks)
 ii. Calculate the overtime hours of Mr. Elad Mark. (use appendix 5) (6 marks)
- B. The time card of workers in marking board enterprises during the 3rd week of March (15th to the 20th) indicated the following:

Worker's name	Hourly rate	Post	Time worked in hours daily					
			15 th	16 th	17 th	18 th	19 th	20 th
MBENG	3,400	Guard	8	8	8	8	8	8
MULAK	4,600	Plumber	9	8	-	10	12	10
AYUK	4,000	Electrician	7	8	11	8	7	9
TAKU	4,200	Builder	9	9	8	9	10	10
NDI	5,100	Gardener	10	6	8	7	7	10

You are informed that a normal working week is 40 hours. Over time is paid an hourly rate increased by 20% from the 41st to the 48th hour each and an hourly rate increased by 30% from the 49th hour.

Required:

- i. Calculate the overtime remuneration earned by each worker for the week (**Appendix 6**). (4 marks)
 ii. Determine the basic wages earned by each worker for work done. (6 marks)

TOTAL (20 marks)

5. NEPTUNE GAS Ltd buys and distributes cooking gas in bottles to its customers. The enterprise buys containers at 17,000 FCFA, consigns them at 22,000 FCFA to its customers and takes them back at 20,000 FCFA. VAT is charge at the rate of 19.25%.

The following transaction took place during the month of August 2017

1st August—Initial stock of 350 bottles of which 150 bottles were consigned to customers.

4th August--- purchase of 250 bottles

5th August--- Consigned 150 bottles to customer Jan to be returned on the 6th of September 2017

11th August--- Return of 30 bottles consigned

13rd August--- Damage of consigned containers 15 bottles.

15th August--- return of 130 consigned bottles.

20th August – consignment of 300 bottles to a retailer

28th August—A customer failed to return 100 bottles consigned to him.

30th August—return of 150 consigned bottles.

Required:

- i. Complete the stock index card. (Appendix 7) (13 marks)
- ii. Show the adjustment entries relating to the movement of gas bottles in the warehouse. (7 marks)
- TOTAL (20 marks)**

6. On December, 2018, the balance sheet of D. TOM enterprise was presented as follows:

Assets	Amount (FCFA)	Liabilities	Amount (FCFA)
Buildings	3,150,000	Capital	7,500,000
Furniture	360,000	Suppliers	1,350,000
Customers	1,050,000		
Bank	3,540,000		
Cash	750,000		
Total	8,850,000	Total	8,850,000

During the month of December, the following transactions were carried out:

- 2/12 credit purchase of goods : 1,425,000FCFA; transport paid: 67,500FCFA
- 5/12 cash sales of goods: Gross amount 7,500,000FCFA; cash discount 5%
- 10/12 paid telephone expenses by cash: 25,500FCFA
- 20/12 credit sales to JJ gross amount 5,750,000FCFA; trade discount 2%, cash discount 1%
- 25/12 loan from NFC Bank: 6,000,000FCFA

Required:

- (i) Record the above transactions in the classical journal (6 marks)
- (ii) Post the journal in (i) above to the account in the ledger (6 marks)
- (iii) Extract a two column trial balance for these transactions as at December 31, 2018. (8 marks)

TOTAL (20 marks)

7. An extract of the stock card of recoverable containers for the financial year ended December 31, 2018 in DANGOTE ENTERPRISE is as follow:

Movement			Date	Description	warehouse			Containers on consignment	Final Stock
Purchases	Sales	losses			Entry	Exit	Stock		
-	-	-	1/12	Initial stock	-	-	300	600	900
1100	-	-	12/12	Cash purchase	1100		1400	600	2000
-	-	-	15/12	Issue of containers		100	400	1600	2000
						0			
-	50	-	22/12	Loss with container with customers	-	-	400	1550	1950
-	-	-	27/12	Return of containers from customer Kum	500	-	900	1050	1950
-	-	30	30/12	Loss in the warehouse	-	30	870	1050	1920

- The purchase cost of a containers is 2,000FCFA
- Consignment price is 2,500FCFA
- Repayment price of each container returned 2,200FCFA

Required:

- i. Determine the amount of stock of containers as at December 31, 2018. (5 marks)
- ii. Record in the classical journal of DANGOTE Enterprise the movement of containers for the month. (15 marks)

NB:

- Ignore VAT
- Dangote Enterprise uses the permanent inventory system.

TOTAL (20 marks)

8. ROFESA workshop is a carpentry workshop which is specialized in the production of office furniture. The activities of this workshop are based on command. On the 3rd of August 2015, the workshop received an order for 48 chairs and 12 tables. The main raw material used in this workshop is timber (planks). In order to produce a chair 0.5 plank is needed while 2 planks are used for the production of a table. However, the following information is related for this order.

PURCHASES

- Planks: 7 000FCFA each
- Transportation : 300FCFA per plank

WORKSHOP

- Direct labour on tables: 5 hours per table
 - Direct labour on chairs: 2.5 hours per chair
- An hour of labour is paid at 750FCFA

DELIVERY (distribution)

- Tables were transported at 15000F while the chairs at 21,600FCFA

NB: For indirect expenses, see the apportionment table of indirect charges below.

	Maintenance FCFA	Supply FCFA	Workshop FCFA	Distribution FCFA
Primary totals	40,000	50,000	25,000	7,400
Secondary repartition	(40,000)	4,000	20,000	16,000
Secondary totals	0	54,000	45,000	23,400
Nature of work unit		Number of planks bought	Hours of direct labour	Sales
Number of work unit		48	180	936000
Cost of work unit		1125	250	0.025

SALES: A table was supplied at 30,000FCFA and a chair was supplied at 12,000FCFA

Required:

Using the information above;

- i. Determine the Purchase cost of raw material. (Appendix 8) (7 marks)
- ii. Determine the production cost for each product.(Appendix 9) (7 marks)
- iii. Determine the Cost price of each product. (Appendix 10) (4 marks)
- iv. Determine the Respective costing result. (Appendix 11) (2 marks)

TOTAL (20 marks)

To be submitted with the answer booklet

Appendix I for question 1(i)

BOUBA and CO Ltd PO BOX 1021 Douala Tel: 651 36 25 91					
DEBIT					
CAMI Enterprise BP 0491, Dschang Tel: 695 61 4111.					
Customer code: 4111			Invoice No DI 211		
Order No: ...O600			At: Douala		
On: 06/09/2020					
Ref.	Description	Unit	Quantity	Unit price	Amount
	Buscuits	cartons			
	Salt	bags			
	Rice	bags			
	Sugar	cartons			
Gross amount -----					
Rebate 5% -----					
1 st Commercial net -----					
Trade discount 2% -----					
2 nd commercial net -----					
Cash discount 1% -----					
Financial net -----					
Carriage -----					
VAT 19.25% -----					
Net payable -----					
Reserved for the customer		Mode of settlement		Signature:	

Appendix 2 for question 1(i)

BOUBA and CO Ltd PO BOX 1021 Douala Tel: 651 36 25 91						_____ DEBIT CAMI Enterprise BP 0491, Dschang Tel: 695 61 4111.
Customer code: 4111				Invoice No CN 2014		
Order No: ...O600				At: Douala		
				On: 10/09/2020		
Ref.	Description	Unit	Quantity	Unit price	Amount	
	Buscuits	cartons				
Gross amount -----						
Rebate 5% -----						
1 st Commercial net -----						
Trade discount 2% -----						
2 nd commercial net -----						
Cash discount 1% -----						
Financial net -----						
Carriage -----						
VAT 19.25% -----						
Net payable -----						
Reserved for the customer		Mode of settlement		Signature:		

Appendix 3 for question 1(i)

Cheque No.....	FCFA	<input type="text"/>
S G B C DSCHANG		
Pay against this cheque		
.....		
To the order of		
A/c No.	Payable at	On
.....	Sign:	

Appendix 6 for question 4B (i)

OVERTIME HOURS FEMUNARATION EARNED BY EACH WORKER

Worker's names	Hours due	Hours done	Hourly rate.	OVERTIME HOURS						
				20%			30%			Total amount
				Hours	Rate	Amount	Hours	Rate	amount	

Appendix 8 for question 8:

Purchase cost of raw material

Element	Planks		
	Quantity	Unit price	Amount
Purchase price			
Direct Purchasing expenses (transportation)			
Indirect purchasing expenses			
Purchase cost of raw materials			

Appendix 9: production cost of tables and chairs

Element	Tables			Chairs		
	Quantity	Unit price	Amount	Quantity	Unit price	Amount
Purchase cost of raw materials						
Direct labour						
Indirect Expenses						
production cost of tables and chairs						

Appendix 10: Cost price of tables and chairs

Element	Tables			Chairs		
	Quantity	Unit price	Amount	Quantity	Unit price	Amount
production cost of tables and chairs						
Direct distribution Expenses						
Indirect distribution expenses						
Cost price of tables and chairs						

Appendix 11: Costing result for tables and Chairs

Element	Tables			Chairs		
	Quantity	Unit price	Amount	Quantity	Unit price	Amount
Selling price						
Cost price of tables and chairs						
Costing Result						