GENERAL CERTIFICATE OF EDUCATION BOARD

Technical and Vocational Education Examination

Ohada Financial Accounting 1
5005

JUNE 2023 **INTERMEDIATE LEVEL**

Specialty Name and Acronym	**ACCOUNTING – ACC AND SECRETARIAL ADMINISTRATION AND COMMUNICATION – SAC**
Centre No.	
Centre Name	
Candidate No.	
Candidate Name	

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

5005 OHADA FINANCIAL ACCOUNTING 1: MULTIPLE CHOICE QUESTION PAPER

One Hour Thirty Minutes (1hr 30mins)

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.

- NON PROGRAMMABLE CALCULATORS ARE ALLOWED.
- OHADA CHARTS OF ACCOUNTS ARE NOT ALLOWED.

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 – 5005** OHADA 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 Number Identification Number.**

   Take care that you do not crease 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 the answer sheet and the question booklet. DO NOT ATTEMPT TO LEAVE THE EXAMINATION HALL WITH ANY OF THESE.**

Turn Over

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1. OHADA means Organisation
   A and Harmonisation of African Business Law.
   B for the Harmonisation of African Duties and activities.
   C and Harmonising Business Law in Africa
   D for the Harmonisation of Business Law in Africa

2. An enterprise can be described as a/an
   A financial undertaken that satisfy human wants
   B business organisation that sells its products to make profit
   C organisation that serves human needs
   D monetary organisation

3. The balance sheet equation is
   A Capital=Asset+Liability
   B Asset=Liability-Capital.
   C Capital=Liability-Asset.
   D Asset=Liability+Capital.

4. Flows within an organisation are known as
   A interim flows.
   B internal flows.
   C intensive flows.
   D external flows.

5. Credit purchase of goods is recorded in the classical journal as follows;
   A Debit account 601 and credit account 401.
   B Debit account 245 and credit account 401.
   C Debit account 245 and credit account 601.
   D Debit account 401 and credit account 601.

6. The exit of stock of goods in the classical system is recorded as
   A Debit account 6031 and credit account 601.
   B Debit account 31 and credit account 6031.
   C Debit account 6031 and credit account 31.
   D Debit account 6031 and credit account 301.

Questions 7-8 is based on the information below
TINTELE entity purchased the following articles in 2019: .
2nd January, 2000 units at 100 CFAF each
• 8th February, 1500 units at 125 CFAF each.

7. The issue price on the 15th of February if weighted Average Cost is use will be:
   A 112.5 CFAF.
   B 110 CFAF.
   C 110.7 CFAF.
   D 100 CFAF.

8. If FIFO is applied and that 2500 units were issued, what will be the unit price of the closing stock?
   A 125 CFAF.
   B 112.5 CFAF.
   C 100 CFAF.
   D 225 CFAF.

9. A system of recording that makes use of several auxiliary journals is known as:
   A Centralised system.
   B Classical system.
   C Standard system.
   D Simplified system.

10. For the normal system, the weekly legal duration of work is :
   A 54 hours.
   B 45 hours.
   C 40 hours.
   D 48 hours.

11. The brought forward balance of an account shows a debit balance of 45,000CFAF. If a credit transaction of 95,000CFAF and a debit transaction of 60,000CFAF are realized, the new balance will be a
   A debit balance of 10,000CFAF.
   B credit balance of 10,000CFAF.
   C credit balance of 80,000CFAF.
   D debit balance of 80,000CFAF.

12. Which of the following discounts is granted to customers for prompt settlement ?
   A Trade discount.
   B Rebate.
   C Cash discount.
   D Bonus.

13. The variation of the total stock of containers in an entity is as a result of containers
   A rented.
   B hired.
   C destroyed.
   D consigned.

14. An entity bought a machine worth 715,500CFAF tax inclusive, then transported it for 50,000CFAF. The original value will be
   - A 700,000CFAF.
   - B 765,500CFAF.
   - C 665,500CFAF.
   - D 650,000CFAF.

15. In the calculation of the cost of a product, distribution expenses are used for the calculation of the
   - A purchase cost.
   - B production cost.
   - C cost price.
   - D costing result.

16. When a bill of exchange is accepted, the accounting entries in the books of the customer will be
   - A Dr 4021 and Cr 4011.
   - B Dr 4011 and Cr 4021.
   - C Dr 4121 and Cr 4111.
   - D Dr 4111 and Cr 4121.

17. Discount granted on purchases is recorded in account
   - A 773 Dr.
   - B 673 Dr.
   - C 673 Cr.
   - D 773 Cr.

18. The patrimony of an enterprise means
   - A Assets and liabilities.
   - B Assets or liabilities.
   - C Assets.
   - D Liabilities.

19. A document that records economic flows of the same nature is called a/an
   - A flow diagram.
   - B account.
   - C journal.
   - D Entry.

20. The principle that describe the state 'every economic transaction leads to the debit of an account and the credit of another' is
   - A Double entry.
   - B Book keeping.
   - C Contra entry.
   - D Reciprocity.

21. Identify the functioning of an asset Account
   - A An asset account reduces when debited.
   - B An asset account increases on both sides.
   - C An asset account increases when credited.
   - D An asset account increases when debited.

22. In a commercial entity, the cost price of goods is calculated by the formula
   - A Purchase cost + distribution expenses.
   - B Production cost + distribution expenses.
   - C Purchase cost + purchase expenses.
   - D Production cost + production expenses.

23. The percentage of additional council tax on VAT is?
   - A 9%.
   - B 20%.
   - C 4%.
   - D 10%.

24. In OHADA accounting, codes are divided into classes of accounts. the class of account representing the third parties account is:
   - A Class four.
   - B Class five.
   - C Class eight.
   - D Class two.

25. A man deposited the sum of 345,000CFAF into a bank. How is this transaction recorded?
   - A Debit Cash and Credit Bank.
   - B Debit Bank and Credit Cash.
   - C Debit Cash and Credit the man.
   - D Debit Bank and Credit the man.

26. Entering an amount on the debit or credit side of an individual account is called
   - A Recording.
   - B Posting.
   - C Presenting.
   - D Balancing.

27. TETE informed AMA that he will not return the 50 drums consigned to him at a unit price of 1200CFAF. The accounting recording in AMA will be
   - A Debit 4194 – 60,000 CFAF and Credit 7074 – 60,000 CFAF
   - B Debit 6082 – 60,000 CFAF and Credit 4094 – 60,000 CFAF
   - C Debit 4194 – 60,000 CFAF and Credit 411 – 60,000 CFAF
   - D Debit 6224 – 60,000 CFAF and Credit 4094 – 60,000 CFAF

28. Lodging, feeding, vehicles etc given to a worker by the employer should be classified as
   - A Indemnities.
   - B Benefits in kind.
   - C Allowances.
   - D Fringe benefits.

29. The amount of money an enterprise owes to the owners of the business is known as
A Debentures.
B Liabilities.
C Loan.
D Capital.

30. ATA sold goods for 1,000,000CFAF and granted a trade discount of 2%. ATA practices VAT at the rate of 19.25%. How much will be recorded in the sales account 701 ?
A 1,000,000 CFAF.
B 980,000 CFAF.
C 1,168,650 CFAF.
D 1,020,000 CFAF.

31. How does the supplier record the return of containers by the customer ?
A Debit 4194 and credit 411.
B Debit 4094 and credit 401.
C Debit 4094 and credit 411.
D Debit 411 and credit 4194.

32. Calculate the net amount of an invoice of 300,000CFAF with trade discounts of 2% and 5% and VAT of 19.25%
A 223,535 CFAF.
B 333,065 CFAF.
C 255,000 CFAF.
D 250,000 CFAF.

33. The hourly rate of night work is increased by
A 50%.
B 40%.
C 30%.
D 150%.

34. The supplier's account had a credit balance of 75,000CFAF. We paid him 50,000CFAF, bought goods for 80,000CFAF and defective goods worth 40,000 CFAF were returned. The new balance is
A 65,000 CFAF C/B.
B 65,000 CFAF D/B.
C 50,000 CFAF C/B.
D 56,000 CFAF D/B.

35. The accounting equation "initial stock (+) purchases (–) final stock" results to
A profit.
B cost of goods purchased.
C cost of goods sold.
D sales price.

36. To negotiate a bill means the bill is
A not yet mature.
B due.
C mature.
D accepted.

37. You are provided with the following : Suppliers 300,000CFAF, Cash 600,000CFAF, Bank 50,000CFAF, Loan 650,000CFAF, Buidlings 4,500,000CFAF and Customers 900,000CFAF. The capital is
A 6,100,000 CFAF.
B 6,000,000 CFAF.
C 5,000,000 CFAF.
D 5,100,000 CFAF.

38. One of the major objectives of OHADA is to:
A Stop arbitration and unify Business Law in Africa.
B Modify and unify accounting practices and conventions in Africa.
C Promote arbitration and unify business law in Africa.
D Implement a unique accounting system in Africa.

39. ABC Ltd purchased goods worth 2,000,000 FCFA and paid transport expenses of 30,000 FCFA by cash. The entry made in the books of ABC Ltd to record the transport expenses is:
A Debit account 571 with 30,000 CFAF and Credit account 6015 with 30,000 CFAF.
B Debit account 6015 with 30,000 CFAF and Credit account 571 with 30,000 CFAF.
C Debit account 6015 with 30,000 CFAF and Credit account 521 with 30,000 CFAF.
D Debit account 611 with 30,000 CFAF and Credit account 571 with 30,000 CFAF.

The credit invoice below from Tal to Kat concerns **questions 40**

- Gross amount.....50,000 FCFA
- Cash discount ( )...4,000 FCFA
- Financial net.......46,000 FCFA
- VAT (19.25%)...8,855 FCFA
- Net amount payable..54,855 FCFA

40. The rate of cash discount on the credit invoice is
A 5%.
B 4,000CFAF.
C 8%.
D 19.25%.

41. In a purchases and sales transaction, who considers an invoice a credit invoices?
A Supplier.
B Third party.
C Customer.
D Transporter

42. The startup balances of a trial balance are extracted from the
    A balance sheet.
    B ledger.
    C journal.
    D source document.

43. When stock is updated after every purchase and sale transaction, the system of recording is described as
    A First In First Out.
    B Periodic Inventory.
    C Weighted Average Cost.
    D Perpetual Inventory.

44. A document established by a person known as a subscriber is
    A bill of exchange.
    B postal cheque.
    C promissory note.
    D credit card.

45. The main activity of a commercial enterprise is
    A transformation of raw materials only.
    B extraction and transformation of raw materials.
    C buying and selling of goods without transformation.
    D producing goods and selling to the customers.

46. An allowance paid to a worker as a result of his or her sale of goods or services is known as
    A salary.
    B commission.
    C wages.
    D fringe benefits.

47. Consigned packagings and the value added tax are considered as
    A deductions on an invoice.
    B additions on an invoice.
    C financial deductions on an invoice.
    D commercial deductions on an invoice.

48. The left side of an account is called
    A balance.
    B debit balance.
    C credit.
    D debit.

49. The permanent inventory system is also called
    A Periodic inventory.
    B Perpetual inventory.
    C Intermittent inventory.
    D Mixed inventory.

50. The principle which states that for every transaction, there must be at least one debit and a corresponding credit entry is called
    A Marching principle.
    B Balancing principle.
    C Bookkeeping principle.
    D Double entry principle.

STOP

NOW GO BACK AND CHECK YOUR WORK

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