

5015/2/2025

International Financial Accounting/Intermediate Level

## SOUTH WEST REGIONAL MOCK EXAMINATION TECHNICAL AND VOCATIONAL EDUCATION

**THE TEACHERS' RESOURCE UNIT (TRU)**

Cellule d'appui à l'action Pédagogique

**IN COLLABORATION WITH**

En collaboration avec

**THE REGIONAL INSPECTORATES OF PEDAGOGY AND**

**THE SUBJECT TEACHERS' ASSOCIATIONS (STA)**

**SATURDAY 22<sup>nd</sup> MARCH 2025**

**INTERMEDIATE LEVEL**

Specialty	Accounting (ACC)
Subject Title	International Financial Accounting
Paper Number / Title	Paper 2
Subject Code Number	5015

**Duration: 2 Hours 30 MINUTES**

### **INSTRUCTIONS TO CANDIDATES**

This Paper carries Eight questions. *Answer any Five (5).*

Starting each New Answer on a New Page

*All questions carry 20 marks each. For your guidance, the approximate mark for each part of a question is indicated in brackets.*

*If you answer MORE THAN five (5) questions, ONLY the first five (5) answers presented will be marked. Meanwhile, the other answer will be cancelled.*

You are allowed to use CALCULATORS and GRAPH PAPERS where need be.

Charts of Account and Formular booklet are NOT ALLOWED for this paper.

You must use ONLY Blue or Black ink. No answer in Pencil will be marked.

All Appendices filled or completed should be slotted in the answer booklet and do not write your name or candidate number on the appendices

All necessary calculations must be shown.

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

*You are advised to read carefully through the question paper, before you begin your answers.*



1. For the financial year ended 31/12/2019, BETTERMAN PLC handed you the following information concerning the credit situation of its customers and suppliers. Figures are in thousands (000) of FCFA.

Sales: cash	344
Credit	668
Purchases: cash	14,4
Credit	596,6
Total receipt from customers	600,57
Total payment to supplier	503,97
Discount allowed to credit customers	5,520
Discount receive from credit supplies	3,510
Refunds given to cash customers	5,070
Balance of sales ledger set off against balance in the purchases ledger	70
Bad debt written off	780
Increase in the provision of doubtful debts	90
Credit notes issued to credit customers	4,140
Credit note receive from credit suppliers	1,480
Received a piece of land from a customer for partial settlement of debt	800

According to the audited financial statement for the previous year, account receivable and account payable as at 31/12/2018 were 26,540,000FCFA and 34,500,000FCFA respectively.

Required:

- Prepare the following accounts as at 31/12/2019
  - Sales ledger control account
  - Purchases ledger control account
- Outline 2 reasons why control account is prepared

8 marks

8 marks

4 marks

(Total 20 marks)

2. The following information concerns DEPUTY ENTERPRISE for the month of December 2022. As a student on internship with DEPUTY ENTERPRISE, you have been handed the following statement for treatment.

cash book					
Date	Details	Amount	date	details	Amount
		000 FCFA			000 FCFA
Dec-01	balance b/d	3,419	Dec-08	K Queencyline	462
Dec-07	K Frida	101	Dec-15	A Zelder	21
Dec-22	L Motanda	44	Dec-28	B Mbako	209
Dec-31	M Ndola	319	Dec-31	balance c/d	3437
Dec-31	D Benz	246			
		4129			4129

Required

- Update the cash book and state the new balance as on the 31/12/2022
- Draw up a bank reconciliation statement as at 31/12/2022

10marks

10marks

(Total 20 marks)

3. KEDI PLC was created on the 1/1/2008 and has been in operation with the sales and purchases of assorted drinks. The following list of ledger account balances has been extracted as at 31/12/2020

	Dr	Cr
	FCFA(000)	FCFA(000)
purchases and sales	92,800	157,500
cash at bank	4,100	
cash at hand	659	
Capital		11,400
Drawings	17,100	
Office furniture	4,000	



5. a) Write short notes on the following as used in accounting  
 (i) Sales ledger (ii) Purchased ledger (iii) Personal account  
 (iv) Cash book (v) Nominal account  
 (1x5 =5 marks)

- b) The following transactions took place in DATEY PLC for the month of May 2019
- 03/05/2019 Issue of Invoice no 102 for credit sales of goods to Mr Ngwa 350,000
  - 06/05/2019 Issue credit note no 24 to Miss Lum for sales made in the month of April 60,000
  - 07/05/2019 received Invoice no 234 from SAMSKET enterprise for credit purchase of goods 210,000
  - 11/05/2019 Cash sales of goods to Mr Ngwa 130,000
  - 15/05/2019 Issued Invoice no 104 to Peter's retail shop for credit sale of goods 872,000
  - 17/05/2019 Received credit note no 23 from SAMSKET enterprise for goods purchased 30,000
  - 21/05/2019 Bought goods on credit from ANYE venture 313,000 FCFA, invoice no 221
  - 25/05/2019 Sales of goods on credit to Mr Ngwa 456,000frs, invoice no 109
  - 29/05/2019 Sales of goods on credit to Peter's retail shop 333,000frs, invoice number 110

**Required:**

- a) Record the transactions to their appropriate books of original entries (sales day book, purchases day book, sales return day book, purchases return day book) 8marks
- b) Post the transactions to their ledger accounts and balance it off 7marks

(Total 20 marks)

6. a) Mr. WALTERS has purchased a new machine on the 1/1/2018 to help speed up his production line. The machine cost 52,000,000FCFA and is expected to last for five years. The machine has a scrape value of 2,000,000FCFA at the end of its useful life

**Required:**

You are required to calculate the yearly depreciation of the machine, showing clearly balance remaining in the account at the end of each of the five years under:

- i) Straight line method
- ii) Reducing balance method (10marks)

- b) The following is a data from DIVINE TOUCH factory for the year ended 31/12/2021

	FCFA(000)
Inventory as at 01/01/2021	
Raw material	27,300
Work in progress	6,500
Direct expenses	12,340
Direct labour	43,000
Factory utilities	17,300
Rent: factory $\frac{3}{4}$ , office $\frac{1}{4}$	12,000
Indirect labour	15,000
Purchases of raw materials	250,000
Factory equipment at cost	200,000

**Additional information:**

- Inventory as at 31/12/2021
- Raw material 20,320,000FCFA
- Work in progress 6,890,000FCFA
- Finished goods 25,400,000FCFA
- Direct labour accrued 500,000FCFA
- Depreciation of factory is 20% on cost

**Required:** From the above data, present the manufacturing account for DIVINE TOUCH factory as at 31/12/2021 10marks

(Total 20 marks)



Rent	3,400	
wages and salaries	31,400	
Discounts	820	1,260
Accounts receivable and accounts payable	12,316	5,245
inventory 01/01/2009	4,120	
provision for doubtful debts 01/01/2009		405
delivery van	3,750	
van running cost	615	
bad debt written off	730	
Total	175,810	175,810

Additional information:

Inventory as at 31/12/2009 2,600,000

Wages and salaries accrued at the end of the year 540,000

Rent prepaid at year end 250,000

Rent running cost outstanding as at 31/12/2009 67,000

Provision for doubtful debt is to be increase to 496,000

Provide for depreciation as follows: office furniture 400,000 and delivery van 800,000

Required:

a) Prepare the income statement of KEDI PLC as at 31/12/2009

10marks

b) Prepare the statement of financial position of KEDI PLC as at 31/12/2009

10marks

(Total 20 marks)

4. BATEY limited is a company which is involved in the retail trade. The following is the result for the last two years

Items	2023 FCFA (000)	2022 FCFA(000)
<b>Income statement</b>		
Sales	5,800	3,990
cost of sales	4,123	2,863
distribution cost	193	177
administrative cost	218	126
<b>Balance sheet</b>		
fixed assets	3,610	3,225
Inventory	580	460
trade receivable	460	280
cash at bank	200	160
trade payables	400	320
bank overdraft	147	30
accrued expenses	47	100
Taxation	108	120
share capital	1,000	1,000
retained earnings	1,525	555
long term debts	1,700	2,000

Notes:

- The opening stock for 2022 was 500,000FCFA
- The issue price of a share is 10,000FCFA
- All sales and purchases of goods were done on credit

Required:

Calculate for both years the following in relation of BATEY limited

- The gross profit
- Net profit
- Current ratio
- Trade receivable in days
- Trade payables in days
- Return on capital employed

3ma

3marks

4marks

3marks

3marks

4marks

(Total 20 marks)



7. This question is made up of two parts

**PART A:** The trial balance of Tong Gardens enterprise was shortage on the credit side by 4,274,000FCFA as at 31/12/2022 and a suspense account was opened to make it balance. Subsequently investigation had found the following errors:

- A purchase account has been under cast by 500,000
- A sales account has been under cast by 3,400,000
- The rent receive account has been under cast by 400,000
- Discount received 487,000FCFA had been entered on the debit side of the in the account
- Purchases of lorry by cheque of 43,000,000FCFA had been completely omitted from the books

**Required:**

- Prepare the journal entries necessary to correct the errors and omission
- Prepare the suspense account

(10 mark)

(5 marks)

**PART B:**

The following information is from TENBY tennis club for the year ended 31/12/2022.

	Balance as at 1/1/2022 (FCFA)	Balance as at 31/12/2022 (FCFA)
Subscription in arrears	140,000	230,000
Subscription paid in advance	180,000	260,000

During the year, cash receipt in respect of subscription amounted to 3,220,000FCFA.

**Required:**

- Prepare the subscription account of TENBY tennis club for the year ended 31/12/2022

(5 marks)

(Total 20 marks)

8. LUCY, FRIDA and DEPITA are partners. For the first year of trading, ended 31/12/2020 earned a profit of 100,500,000FCFA.

They share profit and losses in the ratio of 2:2:1 respectively. The information of the partnership is as follows:

	Capital	Drawings
LUCY	30,000,000	8,000,000
FRIDA	30,000,000	12,000,000
DEPITA	15,000,000	NIL

Following are then terms of the partnership

- Interest on capital is at 8% p.a
- DEPITA is an active partner and is paid a salary of 5,500,000FCFA annually
- Drawings are charged at the interest of 6% p.a

**Required:**

- Prepare the profit and loss appropriation account
- Prepare the current account of the partners
- Prepare the capital account of the partners

(10 marks)

(6 marks)

(4marks)

(Total 20 marks)

**END**