ICPAR
Unlimited possibilities

CERTIFIED ACCOUNTING TECHNICIAN

2022ICPARNOV2022IC STAGE 1 EXAMINATION RNO

S.1.1 RECORDING FINANCIAL TRANSACTIONS DATE: TUESDAY, 29 NOVEMBER 2022

MARKING GUIDE AND MODEL ANSWERS

Marking guide	V2022ICPARNOV2022ICPA V2022ICPARNOV2022ICPA	RNOV2022ICPARNOV20 RNOV2022ICPARNOV20	022ICPARNOV2022ICPARNOV20 022ICPARNOV2022ICPARNOV20)22I)22I
Questions	Answers Grid ICPA	RNO Questions NOV20	Answers Grid ARNOV2)221
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RNOV2022I3PARNOV	V2022ICPARNOV 5 022ICPA	RNOV20221CP428VOV20)22ICPARNOV202DCPARNOV20)221
RNOV202214 PARNOV	V_2022 ICPARNOV B_022 ICPA	RNOV2022ICPARNOV20 RNOV2022ICPA29NOV20	022IGPARNOV2025GPARNOV20)22I
RNOV2022I5PARNOV	V2022ICPARNO\ B 022ICPA	RNOV2022ICPA30NOV20)22ICPARNOV202 C CPARNOV20)22I
RNOV202216PARNOV	V20221CPARNO\ <mark>B</mark> 0221CPA V20221CPARNO\20221CPA	RNOV20221CPA31NOV20)221CPARNOV202 <mark>D</mark> CPARNOV20)221CPARNOV20221CPARNOV2 0)221) 221
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RNOV202221 PARNOV	V2022ICPARNOV P022ICPA	RNOV2022ICPARNOV20	0221GPARNOV202BCPARNOV20	1221
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Model answers

QUESTION ONE

Correct answer is **D** because the only steps of recording petty cash expense are vouchers in the batch are taken one at time, in date order/voucher number order and Petty cashier must the analyse the payment

QUESTION TWO

Correct is A

B is not correct because description of what being sold is missing

C is not correct because set of information does not include name of the seller's bank

D is not correct because set of information does not include name of the purchaser's bank

OUESTION TREE

Correct answer is D because all other options A, B and C is the reasons for the customer to issue credit note. Payment using digital can be reason of issuing credit 221CPARNOV2022ICPARNOV2022

QUESTION FOUR

Correct answers is B: the only purpose of remittance advice is to provide explanation to the supplier which invoice and Credit note that relates to the payment,

A Goods returned note are the one informing supplier that the stipulated goods has been return,

C Quotation is the one advising supplier on which list of goods need to be supplied,

OUESTION FIVE

Correct answer is B: closing balance of cashbook is equal to opening balance plus money received minus money paid out, so FRW 100,000+FRW 50,000+FRW 3,000-FRW 10,000-FRW 5,000=FRW 138,000.

A is not correct as it is only summation of opening balance and monay received without subtracting money paid out, RNOV2022ICPARNOV202ICPARNOV202ICP

C is not correct because it considered goods sold on credit as cash in

D is not correct because it omits half of money received in favor of goods sold on credit

OUESTION SIX

Correct answer is B because sales on credit increase receivable as well as sales with corresponding tax

A and D is not correct because sales are not posted in debit side

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C is not correct because trade payable does not correspond to sale; it is only concerned when it is credit purchased

QUESTION SEVEN

Correct answer is B because Capital income s income that comes from capital, which is to say, comes from wealth itself, rather than any specific production or direct work (e.g. Dividend) while are funds used by a company to acquire, upgrade, and maintain physical assets such as property, plants, buildings, technology, or equipment (e.g. Purchase of assets)

A is not correct because plant is not capital income, it is capital expenditure

C is not correct FRW 90,000,000 isn't capital income

D is not correct because A is correct and it state that none of the answers a is correct

QUESTION EIGHT

Correct answer is C because purchase of non-current asset only affect that assets account and bank or cash depending which means of payment used PARNOV2022ICPARNO

A is not correct because purchase only increase when goods purchased are in line of business not non-current assets.

B is not correct because it is inverse entry

D is not correct as it includes wrong mean of payment

QUESTION NINE

Considering the nature of business, correct is C because all other suggested answer are revenue income, 21CPARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202IC

OUESTION 10

Correct answer is D bad debt decrease receivables

A is not correct because bad debt does not increase receivables or sales

B is not correct because it considers wrong amount

C is not correct because bad debt does not decrease cash at bank

OUESTIONAL

Correct answer is C because salary expense includes both salary paid and employers contribution (FRW 80,000,000+FRW 12,000,000) FRW 92,000,000

A is not correct because salary expense includes Income tax and employee's pension, yet it should not

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B PAYE is obtained from gross salary, so recording PAYE and gross amount separately would result into double counting

QUESTION 12

Correct answer is C because statutory deductions include PAYE and social security contribution both employee and employer

A is not correct because it is summation of basic salary and PAYE

B is not correct because it is summation of basic salary and social security contribution

D is not correct because it is summation of social security contribution and internal charge

QUESTION 13

Correct answer is A as this is summation of all assets (Motor vehicle and Cash at bank) FRW 5,000,000 + FRW 2,000,000 = FRW 7,000,000 \(\text{20221CPARNOV20221CP

B is not correct because its summation of all assets, liability and capital (FRW 5,000,000 + FRW 2,000,000 + FRW 3,000,000 = FRW 14,000,000

C is it correct because it is summation of Capital, Motor vehicle and loan which is FRW 4,000,000 + FRW 5,000,000 + FRW 3,000,000=FRW 12,000,000

D is not correct because it is summation of assets and liability which is FRW 5,000,000 + FRW 2,000,000 + FRW 10,000,00 × 2022ICPARNOV2022

OUESTION 14

Correct answer is D because all other option are the reasons why sales tax might not be matching 18% of total sales made within quarter, PARNOV2022ICPARNOV202ICPARNOV2022ICPARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNO

A is not correct because export made was in part of goods subjected to VAT

B is not correct because goods sold was zero rated product

C is not correct because goods sold was exempted from VAT purpose

OUESTION 15

Correct answer is B computed as follow

Sales ledger control	Amount FRW "000"	ARNOV2022ICPARNOV2022ICPARNO	OV2022ICPARNOV2022I
CNOV 2022I CPARNO V 20 2 NOV 2022I CPARNO V 20	Debit _{parnov2022} ice	ARNOV 2022 I CPARNOV 2022 I CPARN ARNOV 2022 I CPARNOV 2022 I Credi	0 V 2022ICPARNO V 2022I 0 V 2022ICPARNO V 2022I
Description ARNO V20	221CAmount2022ICP	ARNO Description OV2022ICPARNO	OV2022ICPAmount)22I
Opening Bal ARNOV2	022ICPAR 5 ,000 022ICP	Return in wards 2022ICPARNO	OV2022ICPARNO5,000I
Credit sales	10,000	Payment from customer	0V2022IC ARNO 1,000

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I	NOV2022ICPARNOV2022I	CPARNOV2022ICPARNO	Bal C/d ARNOV2022ICPARNOV2022ICI	PARNO 9,000
	NOV2022ICPARNOV2022I	15,000 2022ICPARNO	V2022ICPARNO V2022ICPARNO V2022ICI V2022ICDA DNO V2022ICDA DNO V2022ICI	15,000

A is not correct because Interest received was included in credit side of sales ledger control account 2ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV

C is not correct because it ignored payment return from customers of FRW 5,000,000

D it is not correct because the returns from customers was debited instead of credit

OUESTION 16

Correct answer is B

A is not correct because it is only one role described in there also (ii) and (iii) are correct role

C is not correct because aging does determine the performance of human resource staff

D is not correct because all are role of debtors aging except fourth one

OUESTION 17

Correct answer is C computed as (120*450) *118% = FRW 63,720

A is not correct because it excludes return in ward (150*450) *118% = FRW 79,650

B is not correct it does not considered VAT (120*450) = FRW 54,000

D is not correct because it does not take into consideration of both tax and return (150*450) which is FRW 67,500

OHESTION 18

Correct answer is D computed as (FRW 8.000.000*0.05) which is FRW 400.000

A is not correct because it does take into consideration of first FRW 50,000 excluded from discount (FRW 8,000,000*0.05) + ((FRW 600,000*0.1) *2) which is FRW 520,000 PARNO

B is not correct because it made mistake on the rate of discount (considered one is to tale 10% for cash discount and 5% for trade discount) instead of 5% cash discount and 10% trade discount ((8,000,000*0.1) + (550,000*0.05) FRW 855,000)

C is not correct because it made two mistakes, one is to tale 10% for cash discount and 5% for trade discount other one is to omit first FRW 50,000 for trade discount. ((8000,000*0.1) + (600,000*0.05) FRW 860,000)

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Correct is D because statement of account is document that reflects all transactions that took place between you and a particular customer for a given period

A is not correct because credit note is document used when goods are returned,

B is not correct because remittance advice explains which invoice correspond to the payment made

C is not correct because pay in slip is document used when customer need to deposit cash or cheque in the bank/2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV20

QUESTION 20

Correct answer is C sufficient amount in the account cannot cause cheque to be denied by the bank, all other options have sufficient reason for cheque to be rejected by bank

QUESTION 21

Correct answer is B because dishonored cheque should be added to closing balance and bank charge deducted from balance (FRW 1500, 000+FRW 200,000-FRW 50,000) which is FRW 1,650,000 PARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICP

A is not correct because it deducted dishonored cheque and added bank charge (FRW 1,500,000+FRW 50,000-FRW 200,000) which is FRW 1,350,000

C is not correct because bank charge was added instead of being deducted (FRW 1,500,000+FRW 200,000+FRW 50,000) which is FRW 1,750,000

D is not correct because dishonored cheque was deducted instead of being added to cancel previous record (FRW 1,500,000-FRW 200,000-FRW 50,000) which is FRW 1,250,000

QUESTION 22

Correct answer is C because Payable control account contain only purchase on credit (5*500,000) FRW 2,500,000

A is not correct because it included both return ((5*500,000) +FRW 250,000) = FRW 2,750,000

B is not correct because it also includes cash purchase ((5*500,000) +(6*200,000) = FRW 3.700.000 CPARNOV2022ICPARNOV202IC

D is not correct because it added both cash purchase and return to credit purchase ((5*500,000) + (6*200,000) + FRW 250,000) = FRW 3,950,000

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Correct answer is D because all steps provided are steps followed when reconciling suppliers statement,

QUESTION 24

Correct answer is C computed as follow:

(NOV 2022I CPARNO V 2022I CPARNO V 2022I CPARNO V 2022I CPA (NOV 2022I CPARNO V 2022I CPARNO V 2022I CPARNO V 2022I CPA	ARNOV2	10221CPARNOV20221CPARNOV20221 10221CPARNOV20221CP FRW ''(000 '')
Closing balance OV2022ICPARNOV2022ICPARNOV2022ICPA	ARNOV2	0221CPARNOV20221CPARNO '8,970 1
Less Bank charges V2022ICPARNOV2022ICPARNOV2022ICPA	ARNOV2	022ICPARNOV2022ICPARNOV2550
Less Electricity NOV20221CPARN	KNOV2	0221CPARNOV 20221CPARNOV 20221
Add Cash from Debtors21CPARNOV20221CPARNOV20221CPA	ARNOV2	022ICPARNOV2022ICPARNOV2 800 I
Add interest received 0221CPARNOV2022ICPARNOV2022ICPA	(RNOV	0221CPARNOV20221CPARNOV20 70 1
kNOV20221CPARNOV20221CPARNOV20221CPARNOV20221CPA	RNOV.	20221CPARNO V 20221CPARNO V 20221

8,990

A is not correct because it adds bank charges and electricity to the cash at bank yet it should be removed ICPARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARN

B is not correct because it omits interest received in computation

D is not correct because bank charge was added instead of being deducted.

QUESTION 25

Correct answer is B because since FRW 2,000,000 is subject to discount, Rugira's trading will receive FRW 1,900,000 so, Receivable account will be debited with net amount which is FRW 3,000,000 and sales be credited with total amount which is FRW 5,000,000 and discount be debited 5% of paid amount (FRW 2,000,000*0.05) which is FRW 100,000,

A and D is not correct because receivable cannot be debited with all amount yet there FRW 2,000,000 paid within stipulated days,

C is not correct because discount was not taken into consideration

QUESTION 26

Correct answer is B because when company sold goods, sales account is credited with amount exclusive of tax 10 V2022ICPARNOV20

A is not correct because sales figure is overstated by VAT amount

C and D are not correct because since transaction has made on cash there is no need of receivables,

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Correct answer is A because net cash received is closing balance deducting opening balances (FRW 240,000,000+FRW 150,000,000-FRW 80,000,000) which is FRW 175,000,000

B is not correct because it is summation of opening and closing balances

C and D is not because has error of transposition for both closing balances

QUESTION 28

Correct answer is D

A is not correct because when cash are paid to trade payable. This reduce the amount expected from suppliers, and does not affect purchase account

B is not correct because amount paid to creditors are debited in payable control

C is not correct because amount paid does not affect books of prime entry

OUESTION 29

Correct is C because bank charges are an expense

A is not correct because cash sales affect cash account does not bank account

B is not correct payment from debtors are credited to receivable account not sales account

D is not correct because if electricity cost is incurred, it should be recognized?

QUESTION 30

Correct answer is C because when petty cash is used to pay expenses, expense account increased by amount excluding VAT, VAT increase with VAT charged and finally petty cash reduced with total cash including tax.

A is not correct because VAT should be credit when there is VAT on sales

B is not correct because expense was considered as VAT exclusive

D is not correct because Cash is credited with less amount and expense account was overstated

QUESTION 31

Correct answer is D

An imprest system for petty cash helps with management of small cash expenditures and reduces the risk of fraud. The amount paid in to replenish petty cash at the beginning of each period should be the amount of petty cash spending in the previous period, which is the total of expenditures shown by petty cash vouchers for the previous period. The amount of petty cash at

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any time is the maximum petty cash balance minus the value of the petty cash vouchers for the period. 221CPARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV2

QUESTION 32

Correct answer is C computed as follow (FRW 250,225+FRW 325010-FRW 100,750) which will be FRW 474,485

A is not correct because in this case Trade payable will not have debit side balance

B is not correct because it considered only opening balance and credit purchase without deducting cash payment and shows the balance as DR instead as CR (FRW 250,225+FRW 325,010) = FRW 575,235.

D is not correct because this option omitted cash paid to creditors

QUESTION 33

Correct answer is B computed as follows (FRW 540,000+FRW 125,625+FRW 30,000-625,500) which is FRW 70,125 21CPARNOV20221CPARNOV

A is not correct because it is total credit balance of trade receivables which was obtained by adding closing balance with bad debt and cash received from debtors (FRW 540,000+FRW 125,625+FRW 30,000) which is FRW 695,625

C is not correct because it omits bad debt which was obtain by computing opening balance as if there was no bad debt (FRW 540.000+FRW 125.625-FRW 625.500) which is FRW 40.125

D is not correct because it considers bad debt as item increasing trade receivable (in debit) which was computed as (FRW 625,500+FRW 30,000-FRW 540,000-FRW 125,625) which FRW 10,125.

OUESTION 34

Correct answer is B computed as follow

Sales Ledger Control A	ccount FRV	V2''2000''RNOV	2022ICPARNOV2022ICF	PARNOV2022	ICPARNOV2022
Description ARNO V2022	Ref V2	Amount	Description 2022ICI	Ref 2022	Amount
Opening balance	ICPARNOVZ	7,120	Return in ward	SRDB	2,050
Credit sales ARNOV2022	ICPAISDB/2	52,500 NOV	2(Cash/received)22ICI	PARICB/2022	ICPAR 52,400 22
Dishonored cheque	ICPAR _{IN} OV2	022ICP 1,000 V	Bad debt OV2022ICI	PAR MnlV2022	ICPARN 300 022
KNO V 2022I CPAKNO V 2022 PNO V 2022I CPARNO V 2022	ICPARNOV2	0221CPARNOV	Closing Balance	c/d	5,870
RNOV2022ICPARNOV2022	ICPARNOV2	60,620 NOV	2(22ICPARNOV2022ICF	PARNOV2022	CPA (60,620)22

A is not correct because it considered closing balance per question as total debit side of Sales Ledger Control account

C is not correct because returned goods was debited instead of being credited

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Sales Ledger Control Ac	count FRW "	000"RNOV2022	ICPARNOV2022ICPARN	OV2022I	CPARNOV2022
Description	Ref	Amount	Description	Ref	Amount
Opening balance V20221	CPAR b/f V2022	7,120 V2022	Cash received CPARN	CB 221	52,400 22
Sales 0221CPARNOV20221	CPA	IC 52,500 V2022	Bad debt/2022ICPARN	OV Jnl 221	CPARN300022
Dishonored cheque	CPA RIOV2022	1,000 ⁰²²	Closing Balance ARN	c/d ²²¹	9,970
Return in ward NOV20221	SRDB	2,050 V2022	ICPARNOV2022ICPARN	0.720221	CPARNOV2022
RNOV2022ICPARNOV2022I	CPARNOV2022	IC 62,670 V2022	ICPARNOV2022ICPARN	OV2022I	CPA 62,670 022

D is not correct because it keeps dishonored cheque in credit yet it should be in debit balance refer to below.

Description ARNOV202 NOV2022ICPARNOV202	2 Ref ARN 2ICPARN	Amount FRW 000	N Description RNOV2022ICPAF NOV2022ICPARNOV2022ICPAF	Nef 202210 NOV 202210	Amount 2 FWR 000
Opening balance	b/f	7,120 CPAR	Cash received	CB_{202210}	52,400
Sales 0221CPARNOV202	SDBRN	52,500 CPAR	Bad debt PARNOV2022ICPAF	Mnl/202210	PARN(300 02
NOV2022ICPARNOV202	2ICPARN	DV2022ICPAR	Return in ward OV2022ICPAF	SRDB	P2,050 V202
NOV20221CPARNOV202	21CPARN	OV2022ICPAR	Dishonored cheque	Jnl ₂₀₂₂₁₀	1,000 A
NOV2022ICPARNOV202	2ICPARN	OV2022ICPAR	Closing Balance V2022ICPAR	\c/d/2022I	PARN3,8702
NOV2022ICPARNOV202	2ICPARN	0 59,620 CPAR	NOV2022ICPARNOV2022ICPAR	NOV2022IC	PA 59,62002

QUESTION 35

Correct answer is C Discount should be recorded in debit side of purchase ledger control account and credit purchase in credit side of trade payable control account,

A and D are not correct because both credit purchase and discount received should be recorded in trade receivable as trade receivable deal with credit customer transaction not supplier's transaction. PARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPAR

B is not correct answer because trade payable if liability by nature and should be increased by debit it or reduced by credit so credit purchase should increase Trade payable not reducing it.

OUESTION 36

Correct answer is D because settlement discount received are given to goods purchased on credit and it should be posted to reduce amount due from clients

A is not correct because bad debt are entered in receivable control account

B is not correct because return in wards also recorded in trade receivable control account

C is not correct because trade discount deducted from sales invoice.

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Correct answer is A refer to below, 0221CPARNOV20221CPAR

RNOV2022ICPARNOV2022ICPARNOV2 VATPAccount FRW "000" V2022ICPARNOV2022ICPARNOV2022IC						
Description	Amount	Description	Amount			
VAT on Purchase (50,00*0.18)	21900 RNOV	VAT on Sales (10,000*0.18)	ARN 1,800 ₂			
VAT on Electricity (20,00*0.18)	22 <mark>1360</mark> RNOV2	2022ICPARNOV2022ICPARNOV2022ICI	ARNOV2022			
Owed to Authority 2022 CPARNOV20	²² ICPAR 540	2022ICPARNOV2022ICPARNOV2022ICI	ARNOV2022			
NOV20221CPARNOV20221CPARNOV20	1,800	20221CFARNO V 20221CFARNO V 20221CF	1,800			

B is not correct because it computes VAT as inclusive yet question stated that figures are of exclusive of VAT V2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPAR

C is not correct because VAT on electricity was considered as output VAT

D is not correct because it has considered VAT as inclusive and electricity as output VAT

QUESTION 38

Correct answers is A and all other contain non-Authorization of expense to be paid which is not reason of control account and balance extract to be not matching.

A, B and C includes Lack of authorization for expenses paid which is not reason of control account and balance extract to disagree PARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPA

QUESTION 39

Correct answer is B computed as follow

RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPAR	NOV2022ICP FRW''000'
Balance before adjustment PARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV2	NOV2022ICPARN 58,500
Less error of transposition 32,000-23,000 CPARNOV2022ICPARNOV2022ICPA	NOV2022ICPARNO 9,000
Less return in ward 20221CPARNOV2022ICPARNOV2022ICPARNOV2022ICPA	NOV2022ICPARN 14,000
NOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPA	NOV2022ICPARN 35,500

A is not correct because return in ward have considered as item increasing receivable control account, yet it should not PARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202I

RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV202	22ICPARNOV2022ICP FRW''000 ºI
Balance before adjustment	221CPARNOV20221CPARNOV2021
Less error of transposition 32,000-23,000 PARNOV2022ICPARNOV202	22ICPARNOV2022ICPARNO 9,000 [
Add return in ward V2022ICPARNOV2022ICPARNOV2022ICPARNOV202	22ICPARNOV2022ICPARN(14,000 I
knov2022icparnov2022icparnov2022icparnov202 knov2022icparnov2022icparnov2022icparnov2020ic	221CPA RNOV 20221CPA RN 63,500

C is not correct because FRW 32,000 have consisted as net amount in error of transposition, 2022 below is how answer computed V2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARN

S1.1^v 2022 i Crakno v 2022 i Crakno v 2022 i Crakno v 2022 i Crakno v 2022 i **Page 12 of 16**

RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022	CICPARNOV2022ICPARNOV2022ICP FRW''(000''
Balance before adjustment PARNOV2022ICPARNOV2022	IICPARNOV2022ICPARNOV2022ICPARN(58,500
Less error of transposition PARNOV2022ICPARNOV2022	ICPARNOV2022ICPARNOV2022ICPARN(32,000
Less return in ward/2022ICPARNOV2022ICPARNOV2022	CICPARNOV2022ICPARNOV2022ICPARN(14,000
RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022	ICPARNOV2022ICPARNOV2022ICPARN 12,500

D is not correct because FRW 23,000 have considered as net amount to be adjusted to balance as error of transposition, CPARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARN

RNOV2	022ICPARNOV2022ICPARN	OV2022ICPAR	NOV2022I	CPARNOV2	022ICPAI	RNOV2022IC	PFRW''000''
Balan	ce before adjustment PARN	OV2022ICPAR	NOV20221	CPARNOV2	0221CPAI	RNOV2022IC	PARN 58,500
Less e	error of transposition	OV2022ICPAR OV2022ICPAR	NOV20221 NOV20221	CPARNOV2 CPARNOV2	0221CPA1 022ICPA1	RNO V 2022IC RNO V 2022IC	23,000
Less	return in ward/2022ICPARN	OV2022ICPAR	NOV2022I	CPARNOV2	022ICPAI	RNOV2022IC	PARN 14,000
RNOV2	022ICPARNOV2022ICPARN	OV2022ICPAR	NOV2022I	CPARNOV2	022ICPAI	NOV2022IC	PARN 21,500
DNIOTZO	OCCUPATION ON ON OCCUPATION OF THE OCCUPATION OF	OVIDODATODAD	MOMODA	CDADNOTO	OBSTORAT	DICCOCUTO	DADNION

OUESTION 40

Correct is C because narration explanation is required

B is not correct because some journal entries are routine and others can relate to important accounting PARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV20

A is not correct because the journal is one of the primary entry records from which ledger are posted,

D is not correct because journal entries can be made for other reason, eg; transfer from one account to another.

QUESTION 41

Correct answer is C, because loan insurance are not provided by the bank,

A, B and D are services provided by the bank, 0V2022ICPARNOV20

QUESTION 42

Correct answer is D (Examine the face of the cheque to ensure all details are correct) and other options are not correct as they are procedures of preparing a paying slip

QUESTION 43

Correct answer is B because cheque passed between banks are settled through the clearing system 221CPARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV

Options A, C and D are function of banking system however does not specifically define clearing system 221CPARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNO

S1.1^v 2022 i Crakno v 2022 i Crakno v 2022 i Crakno v 2022 i Crakno v 2022 i **Page 13 of 16**

Correct answer is A because direct payment is way of authorize bank to pay the bills directly from your account without request other permission from customer

B is not correct because this is clearing system, which is mechanism for obtaining payment for cheque,

C is not correct because this pay in slip, which is form use to deposit cash and cheque into the bank account RNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202

D is not correct because this bank product called credit cards, which allow people to purchase items without cash,

QUESTION 45

Correct answer is B, because by using electronic payment, there are over privacy and possibility of identity theft and hackers as well.

A and C are not correct because most of electronic charges are not significant per transaction (this is based on Rwanda banking market) RNOV2022ICPARN

D is not correct because this procedure used by companies to verify the purchase forms

OUESTION 46

Correct answer is A debit note is sent to a supplier with a return of goods. A debit note is in effect a request for a credit note.

B is not correct because remittance advice is a document, which provides a breakdown of the invoices included on a payment \\\^2022ICPARNOV2022ICPARNO

C is not correct because purchase invoice is created after the buyer has presented the seller with a purchase order, and the order has been confirmed and fulfilled by the seller.

D is not correct because Credit note is a commercial document issued by a seller to a buyer

QUESTION 47

Correct answer is C because when supplier need to paid, they need to issue invoice for payment

A is not correct because Debit note is issued to request Credit note

B is not correct because it explains which invoice paid

D is not correct because Goods received note is internal document issued when goods are received.

S1.1^v 2022 i Crakno v 2022 i Crakno v 2022 i Crakno v 2022 i Crakno v 2022 i **Page 14 of 16**

QUESTION 48 NO V2022ICPARNO V2022ICPARNO V2022ICPARNO V2022ICPARNO V

RNOV2022ICPAICOrrect answer is B computer as follow, PARNOV2022ICPARNOV2022ICPARNOV202

RNOV2022ICPAF	RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2	2022ICPARNOV2022IC
RNOV2022ICPAI	RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV VAT Amount f	RWC'1000'1 OV2022IC
RNOV2022ICPAI	Province Charlos (Charlos Carlos Control of Charlos Carlos Charlos Charlos Carlos Charlos C	O22ICPAR Amount
RNOV2022ICPAI	VAT on Purchase (8,000,000*18/118)	1,220,339
RNOV2022ICPAI	RVAT on Rent (4,000,000*0.18)NOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2	022ICPARN 720,000 I
RNOV2022ICPAI	RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2	1,940,339

A is not correct because purchase of goods was considered as if it is exclusive VAT and rent inclusive, below is computation

NOV2022ICPARNOV2022ICPARNOV20 VATPAmount FRW!"000" V2022ICPARNOV	2022ICPARNOV2022I
Description	2022ICPAR Amount
VAT on Purchase (8,000,000*0.18)	1,440,000
VAT on Rent (4,000,000*18/118) V2022ICPARNOV2022ICPARNOV2022ICPARNOV	2022ICPARN610,169I
NOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV	2,050,169

C is not correct because VAT on purchase was considered to be exclusive

NOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202	'2022ICPARNOV2022I '2022ICPARNOV2022I
Description ARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV	2022ICPARI Amount I
VAT on Purchase (8,000,000*0.18) 2022ICPARNOV2022ICPARNOV2022ICPARNOV	1,440,000 1
VAT on Rent (4,000,000*18/100)	720,000
NOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV	2022ICPA1 2,160,000 I

D is not correct because both VAT on rent and purchase was considered as inclusive,

VAT Amount FRW "000" ARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022	
NOV 2022TCPARNO V 202TCPARNO V 202TC	Amount
VAT on Purchase (8,000,000*18/118)221CPARNOV20221CPARNOV20221CPARNO	V201,220,339 OV202
VAT on Rent (4,000,000*18/118) V2022ICPARNOV2022ICPARNOV2022ICPARNO	610,169 NOV202
NOV 2022ICPARNO V 2022ICPARNO V 2022ICPARNO V 2022ICPARNO V 2022ICPARNO NOV 2022ICPA P NOV 2022ICPA P NO	1,830,508

QUESTION 49

Correct answer is D because only payment of postage and stamps and payment of window V2022ICPARIO PAICLEAR PAICLEAR OF THE PAI

Other option like (A, B and C) is not correct because it includes huge expense which cannot be paid by petty cash like hire purchase

\$19/2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022I(Page 15/6f/16

Correct is A because VAT paid will be balance in VAT and VAT account have to be debited and credit bank, parnov2022icparnov2022icparnov2022icparnov2022icparnov2022icparnov2022icp

B is not correct because it considered as if there is not input VAT like purchase tax PARNOV2022ICPARNOV202ICP instead of being debited CPARNOV2022ICPARNOV202ICPA

D is incorrect because input VAT was considered as the one paid instead of netting off output against input VAT, 1,440+720 = 1,860