



CERTIFIED ACCOUNTING TECHNICIAN
STAGE 1 EXAMINATION
S1.3: EFFECTIVE WORKING IN ACCOUNTING AND
FINANCE

DATE: THURSDAY, 26 AUGUST 2021

INSTRUCTIONS:

- 1 Time allowed: **2 hours and 30 minutes**
- 2 This examination has one section only: **Section A**
- 3 Section **A** has **50** compulsory multiple-choice questions equal to 2 marks each.

1. Which of the following is not a reason why the policies and procedures are put in place?

- A Support efficiency
- B Protect people
- C Support compliance
- D Support investigations

(2Marks)

2. Which of the following stakeholder is external?

- A Owner (sole trader / partner / shareholder)
- B Employees
- C Managers
- D Customers

(2Marks)

3. A design engineer at East African Granite - Nyagatare makes suggestions about materials to be used in the manufacturing of a product. **This is an example of a:**

- A Staff function.
- B Line function.
- C Group function.
- D Matrix function.

(2Marks)

4. Which of the following is not an example of policies and procedures in accounting environment?

- A Health and safety
- B Working hours and time keeping
- C Full disclosure of information
- D Adherence to departmental deadline

(2Marks)

5. Working individually as opposed to team work can provide additional resources: **Which among the following is the additional resource?**

- A Additional resources
- B Motivation
- C Coordination
- D None of the above

(2Marks)

6. 1) A systemic process of planning for the future and of gaining experience and training, relevant to the direction in which employees want to develop – both within the current job role and in future career progression

2) The process of using learning experiences to achieve more effective performance in particular work activities or roles

Which of the following is correct?

- A 1 is the definition of development and 2 is the definition of training
- B 1 is the definition of education and 2 is the definition of development
- C 1 is the definition of training and 2 is the definition of development
- D 1 is the definition of education and 2 is the definition of training

(2Marks)

7. Statutory financial statements for companies are required by law, in particular, **for which other reasons?**

- i. To be presented in compliance with specific regulations
- ii. To be audited where necessary
- iii. To be submitted to the relevant authorities
- iv. To be submitted to internal stakeholders

- A (i) Only
- B (i) and (ii) only
- C (i), (ii) and (iii)
- D None of the above

(2Marks)

8. Management accounting provides information for **which target group?**

- A. External users
- B. Regulatory agencies
- C. All users
- D. Internal stakeholders

(2Marks)

9. **Which of the following describes the purpose of the finance function**

- A To produce financial information accurately and support business planning and decision making
- B To recruit and fire staff, train them and comply with laws
- C To find out if there is a market for your product, create a brand image through advertising and persuade customers to buy your product
- D To carry out research and development into new products and/or services

(2Marks)

10. **Net working capital refers to:**

- A Total assets minus fixed assets.
- B Current assets minus current liabilities.
- C Current assets minus inventories.
- D Current assets.

(2Marks)

11. In order to ensure compliance with internal organisational policies and procedures, **the organization should avoid:**

- A Making all employees aware of the importance of compliance
- B Briefing all employees on their roles and responsibilities under the law from the induction of new recruits onwards
- C Put in place checks and controls, to monitor and ensure compliance
- D Basing organisational policies and procedures on lessons learnt from past performance.

(2Marks)

12. **Which among the following does the Organisation structure designates relationships with ?**

- A Formal reporting
- B Informal reporting
- C Authority
- D Dynamism

(2Marks)

13. **Which among the following is not a determinant of an organization's structure?**

- A Strategy
- B Organization size
- C Industry
- D Technology

(2Marks)

14. Policies and procedures involving payment authorization and designated signatories will variably be in place for operations **such as:**

- A The issuing of purchase orders
- B The preparation of cheques and other payments
- C The processing of expenses and petty cash
- D None of the above

(2Marks)

15. Why is it important to adhere to organisations' policies and procedures?

- i. Support efficiency
- ii. Support compliance
- iii. Protect people
- iv. Protect finance, property, information and other assets of the organization

- A. (i) and (ii)
- B. (ii), (iii) and (iv)
- C. (i), (iii), and (iv)
- D. All of the above

(2Marks)

16. A pie chart is useful for showing or comparing magnitudes or sizes of items

- A. True
- B. False

(2Marks)

17. Time management is a key tool in taking imperative decisions and planning out time in an efficient and effective manner.

Which set of key principles apply to time management?

- A. Set goals for all aspects of your work, break down into smaller steps and prioritize, print out the time-wasting factors
- B. Set priorities, identify issues, discuss with employees, delay less important parts of the goals

(2Marks)

18. Some of the key principles of time management are:

- i. Set goals
- ii. Set priority
- iii. Draft a policy
- iv. Formulate action plan
- v. Focus

From the principles above, which ones best describe time management?

- A. i and ii
- B. i, ii and iii
- C. i, ii, iii and iv
- D. i, ii, iv and v

(2Marks)

19. What does CPD mean?

- A) Continuing Program Development
- B) Continued Professional Development
- C) Continuing Professional Degree
- D) Continuing Professional Development

(2Marks)

20. Which items are not included in the key features of the CPD process?

- A. Be a documented process
- B. Be self-directed: driven by you, not your employer
- C. Focus on learning from experience, reflective learning and review
- D. Be innovative in developing your professional career

(2Marks)

21. What will CPD do for you?

- A. Focus on learning from experience, reflective learning and review
- B. Provide an overview of your professional development to date
- C. Include both formal and informal learning.
- D. Help you set development goals and objectives

(2Marks)

22. The following are learning and development approaches except which one?

- A. Technical briefings and updates
- B. Training courses and seminars
- C. Writing
- D. Publications
- E. Research tools

(2Marks)

23. Which among the following are the methods for acquiring new skills and knowledge for your work?

- i. Courses
- ii. Observation
- iii. Books
- iv. Investigation

- A. i and ii
- B. i, ii and iv
- C. i, ii and iii
- D. None of the above

(2Marks)

24. Which two of the following laws, regulations and standards are likely to be the most relevant to staff working in the Finance and Accounting Department of a local business engaged in production of agriculture inputs?

- i. Regulations over the exports
- ii. Health and safety regulations
- iii. Pollution emission regulations
- iv. Law establishing value added tax

- A. i, ii and iii
- B. ii, iii and iv
- C. i and iv
- D. i and ii

(2Marks)

25. In a typical finance function, preparation of budgets and budgetary control would usually be the responsibility of which of the following roles?

- A. The Chief Finance Officer
- B. The Financial Accountant
- C. The Management Accountant
- D. The Chief Accountant

(2Marks)

26. You are an accountant in a company having production and sales of orange Juice as its main activity. **What kind of graph or chart would you use to show the fluctuations of monthly sales figures for the first six months of 2020?**

- A. Bar chart
- B. Line graph
- C. Pie chart
- D. Histogram

(2Marks)

27. Goods with a list price of Frw 4,000,000 are to be sent to a customer. The customer is allowed a trade discount of 15% and VAT is to be charged at 18%.

What is the total invoice?

- A. 4,000,000
- B. 4,012,000
- C. 4,612,000
- D. None of the above

(2Marks)

28. Read and choose the grammatically correct sentence from the following:

- A. An increase in working hours will have a major effect in staff wellbeing
- B. An increase in working hours will have a major effect on staff wellbeing
- C. An increase in working hours will have a major effect at staff wellbeing.
- D. Increased working hours would have major impact into staff wellbeing

(2Marks)

29. What would be an appropriate closing in a formal letter where the opening is:
Dear Mr Murangwa

Choose only one answer

- A. Yours respectfully,
- B. Yours sincerely,
- C. Yours faithfully,
- D. Yours truly

(2Marks)

30. Your accounting department processed Frw 20,500,000 worth of stationery sales invoices in May and Frw 25,000,000 in June.

What percentage increase in revenue does this represent?

- A. 21.95 %
- B. 23.1%
- C. 20.3%

(2Marks)

31. Which of the following is the best description of assertive behavior?

- A) Standing up for your own rights, needs and opinions
- B) Dismissing the rights, needs or opinions of others
- C) Hurtful treatment
- D) Competition between groups

(2Marks)

32. Which of the following would be an example of possible grievances in the work place?

- i. Sexual or racial harassment
- ii. Lack of prejudice and bias
- iii. An employee being given a discriminating workload
- iv. An employee being blocked for promotion
- v. An employee sharing office with others

- A. i, iii and iv
- B. i, ii and iii
- C. i, iii and v
- D. All of the above

(2Marks)

33. Which of the following will influence the medium of communication that should be used in any given situation?

- i. Permanency
- ii. Necessity
- iii. Complexity
- iv. Severity
- v. Urgency

- A. i, iii and v
- B. i, ii, iii and iv
- C. i, iv and v

(2Marks)

34. Which one of the following is not an aspect of time management as per Adair (2009)?

- A. Urgency
- B. Focus
- C. Relaxation
- D. Set goals
- E. Set priority

(2Marks)

35. Unresolved conflict can result in **which one of the following?**

- A. Decreased wastage
- B. Decreased absence
- C. Decreased stress
- D. Decreased co-operation

(2Marks)

36. **Which of the following communication mechanisms is designed to improve upward communication?**

- A. Notice boards
- B. Organization manual
- C. Staff meeting
- D. Team briefing

(2Marks)

37. **Which of the following options sets out the required procedures for all of the various functions of a business?**

- A. An accounting manual
- B. A function policy
- C. A management information manual
- D. A policy manual

(2Marks)

38. For which reason does company law and other international standards require the sharing of a statement of financial position?

- A. A true and fair view of the profit or loss of the company for the financial year
- B. A statement that the financial statements are free from error
- C. An unqualified report or clean report on the statement of affairs of the company as at the end of the financial year
- D. A true and fair view of the statement of affairs of the company as at the end of the financial year

(2Marks)

39. When a company's accounting and finance function prepares financial statements in accordance with legal rules and accounting standards, it is engaged in the support activity of:

- A. Internal reporting
- B. External reporting
- C. Planning and control
- D. Record-keeping and stewardship

(2Marks)

40. Which of the following statements about nonverbal communication is not true?

- A. Non-verbal cues include tone of voice and silences
- B. Non - verbal cues are a key source of feedback
- C. People pay less attention to non - verbal cues than to what is being said

(2Marks)

41. Which of the following are examples of 'on-the-job' training?

- i. Self- study courses
 - ii. Formal training courses
 - iii. Mentoring by a colleague
 - iv. Secondments to other departments
- A. i and ii
 - B. ii and iv
 - C. i and iv

(2Marks)

42. Which of the following user groups of financial and accounting information are likely to need and have access to the financial and accounting information the most?

- A. Managers of the company
- B. Financial analysis advisers
- C. Tax authorities
- D. Shareholders of the company

(2Marks)

43. Workplace communication methods include the following except one element: **which one?**

- A. Face to face discussion
- B. Telephone calls
- C. Visits
- D. Memos

(2Marks)

44. Which of the following is not an advantage of team work?

- A. Inspiration
- B. Motivation
- C. Frictions
- D. Synergy

(2Marks)

45. What does it mean to think win-win?

- A. I get what I want but other people are not happy
- B. We both get what we want
- C. I am not happy but other people are happy
- D. if I can't have it, neither can you

(2Marks)

46. A person who is outside the conflict and then comes in to help solve it is considered as?

- A. A compromise
- B. A mediator
- C. A clarification
- D. A correspondent

(2Marks)

47. Where would you usually find a summary of what a person in your job should be able to do, the requirement of the job?

- A. Curriculum Vitae
- B. Person specification
- C. Job description

(2Marks)

48. What will usually cause a liability account - Accounts Payable to increase?

- A. A company buying more goods on credit
- B. A company buying more goods by cash
- C. None of the above
- D. All of the above

(2Marks)

49. Which among the following is an example of external stakeholders?

- A. Customers
- B. Employees
- C. Directors
- D. Shareholders

(2Marks)

50. Which of the following is an important guideline for business communication?

- A. Keep it short and simple
- B. Know your purpose and audience
- C. Win win
- D. Use right structure and style

(2Marks)

End of question paper