
CERTIFIED ACCOUNTING TECHNICIAN (CAT)
STAGE 1 EXAMINATION
S1.3 EFFECTIVE WORKING IN ACCOUNTING AND
FINANCE
PILOT PAPER

Instructions

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

Section A

1. What characteristic of information quality is defined as 'including all data relevant to the purpose for which the information is used'?
- A Accurate
 - B Complete
 - C Timely
 - D Reliable
- (2 marks)**
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2. Which of the following groups may be considered to be stakeholders for the building of a new housing estate on existing woodland?
- (i) Employees of construction companies
 - (ii) The government
 - (iii) Local residents
 - (iv) Environmental groups
- A (i) only
 - B (iii) and (iv)
 - C (i) and (ii)
 - D (i), (ii), (iii) and (iv)
- (2 marks)**
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3. James is a quiet, reserved individual who works in the Financial Accounting Department who is finding it very difficult to work with a new colleague. Ronald has recently joined the team, at the same level as James, and is a very loud, boisterous and outgoing person. James feels very uncomfortable with Ronald making remarks that he should go out socially more and talks when James just wants to concentrate on his work.
- Which of the following would be the best initial course of action for James to pursue?
- A Discuss his concerns with Ronald
 - B Complain to his line manager
 - C Do nothing
 - D Resign from the job
- (2 marks)**
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4. Thomas works in the Financial Accounting Department of the accounting and finance function.
- Which **one** of the following activities is Thomas **most** likely to be involved with?
- A Monitoring monthly performance
 - B Controlling costs
 - C Preparing the statement of financial position
 - D Preparing a budget
- (2 marks)**
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5. Georgette is a trainee in the Payroll Department. Clement is the Head of the Human Resources Department.
- Which of the following types of communication would describe communication between Georgette and Clement?
- A Lateral

- B Vertical
 - C Reciprocal
 - D Diagonal
 - E None of the above
- (2 marks)**
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6. David works in the Accounting Function.

Which of the following information will David need to obtain from other functions?

- A Invoices to be processed
 - B Cash flow summary
 - C Customer debts
 - D Profit forecast
- (2 marks)**
-

7. Claude calculates gross pay from salary data and timesheets, as well as calculating income tax.

Which accounting sub-function does Claude work in?

- A Financial Accounting
 - B Payroll
 - C Management Accounting
 - D Taxation
- (2 marks)**
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8. James is a Management Accountant who reports directly to the Head of Accountancy.

Who is responsible for James's Continuing Professional Development (CPD)?

- A The Head of Accountancy
 - B James, Management Accountant
 - C The Human Resources Department
 - D The Chief Executive
- (2 marks)**
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9. Which regulatory body oversees product safety in Rwanda?

- A Rwanda Standards Board
 - B International Product Standards Board
 - C International Federation of Accountants
 - D Institute of Certified Public Accountants of Rwanda
 - E None of the above
- (2 marks)**
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10. Kevin works for Christella, who requests Kevin to undertake some specific work. Kevin formally reports directly to Christella.

Which of the following describes Christella's working relationship to Kevin?

- (i) Superior
 - (ii) Subordinate
 - (iii) Line manager
 - (iv) Assistant
- A (i) only
 - B (ii) and (iv)

- C (i) and (iii)
D (ii) only **(2 marks)**
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11. Which of the following actions will contribute most directly to compliance with the law?

- A Producing an Occupational Safety and Health policy to be circulated to all staff
B Ensuring staff recruited for each job have the relevant experience and skills
C Ensuring IT support is in place in case staff encounter computer problems
D Avoiding the build-up of surplus inventories **(2 marks)**
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12. René works in the Purchasing Department and has been asked to calculate the price per kilogram of material M expected for next month. This month the company purchased 2,000 kg of material M for RWF33,040,000, including VAT of 18%. Material prices are expected to increase by 3%.

What is the VAT-exclusive price of material M per kg for next month?

- A RWF14,000
B RWF16,520
C RWF14,420
D RWF17,016 **(2 marks)**
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13. The prices paid per kilogram for material X over the last six months are RWF13,750, RWF12,300, RWF14,110, RWF15,400, RWF12,300 and RWF13,860 respectively.

What is the mode for the price per kg of material X?

- A RWF12,300
B RWF13,620
C RWF13,805
D RWF13,860 **(2 marks)**
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14. The prices paid per kilogram for material X over the last six months are RWF13,750, RWF12,300, RWF14,110, RWF15,400, RWF12,300 and RWF13,860 respectively.

What is the median for the price per kg of material X?

- A RWF13,750
B RWF13,860
C RWF12,300
D RWF13,805 **(2 marks)**
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15. The prices paid per kilogram for material X over the last six months are RWF13,750, RWF12,300, RWF14,110, RWF15,400, RWF12,300 and RWF13,860 respectively.

What is the arithmetic mean for the price per kg of material X?

- A RWF13,884
B RWF13,620
C RWF12,300

D RWF13,805 **(2 marks)**

16. Leoncie is preparing a report on company sales for the last three months. Supporting sales data and documents are to be numbered and attached to the report, where useful.

What element of the report is being described?

- A Executive summary
 - B Conclusions
 - C Recommendations
 - D Appendices
- (2 marks)**
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17. Which of the following terms explains an organisation's ability to pay its debts when they fall due?

- A Solvency
 - B Cash flow
 - C Working capital
 - D Efficiency
- (2 marks)**
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18. The annual number of sales over the last two years have increased from 1,203,040 to 1,412,790.

To the nearest whole percentage point, what is the percentage increase in sales?

- A 209,750
 - B 17%
 - C 18%
 - D 15%
- (2 marks)**
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19. A company sells six products. The proportion of sales for each product are to be represented diagrammatically to show total sales.

Which of the following methods would be the most appropriate to show the proportion of sales for each product pictorially?

- A Line graph
 - B Bar chart
 - C Pie chart
 - D Table
- (2 marks)**
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20. Bella is writing a formal letter to a potential supplier but does not know the contact's name.

Which of the following sign-offs would be the most appropriate?

- A Yours faithfully
 - B Yours sincerely
 - C Kind regards
 - D Best wishes
- (2 marks)**
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21. James has made a formal complaint about his manager, as he feels that he is being unfairly treated by his manager due to his disability.

What organisational procedure should be followed for this complaint?

- A Victimisation
 - B Disciplinary
 - C Grievance
 - D Redundancy
 - E None of the above
- (2 marks)**
-

22. Which of the following tasks would be the most important and most urgent?

- A Updating the filing system
 - B Completing the monthly payroll run due today
 - C Deleting archived emails
 - D Buying some biscuits for colleagues to share
- (2 marks)**
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23. Which of the following is a benefit of ongoing skills and knowledge development for the employing organisation?

- A Providing job satisfaction
 - B Greater job security
 - C Increased prospects of promotion
 - D Less supervision required
 - E None of the above
- (2 marks)**
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24. Vedaste is a Trainee in the Financial Accounting Department who would like to become a qualified accountant. The Human Resources Department has confirmed that funds are available within the training budget to cover Vedaste's training course. The training would mean Vedaste is out of the office for one day a week for the next two years. No staff would cover his absence.

Which of the following is Vedaste's line manager **most** likely to be concerned about?

- A Cost of training resources
 - B Overtime to cover staff absence for training
 - C Lost staff production time
 - D Cost of training provider
- (2 marks)**
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25. Solange is a trainee in the Financial Accounting Department. The Financial Accounting Manager asks Solange to complete the monthly bank reconciliation. They explain and show Solange how to do this task, allowing Solange to ask questions before completing the task on her own.

What type of on-the-job training is this?

- A Demonstration/instruction
 - B Job rotation
 - C Action learning
 - D 'Assistant to' position
 - E None of the above
- (2 marks)**
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26. Georgette is working as part of a team within the Accounting Department. The team comprises an appropriate combination of trainees and qualified accountants with a range of skills and experience. The team all work towards the aims and purposes of the Accounting Department, with excellent interaction and

correspondence for all aspects of work. Individuals are not told how they are doing within their roles.

Which element of effective team work is missing?

- A Mix and balance of people
 - B Clear, shared objectives
 - C Performance feedback
 - D Communication
 - E None of the above
- (2 marks)**

27. David's line manager, Bella, has asked him to prepare some graphs on sales data by the end of Tuesday. He has no other work at present. Bella needs the graphs to insert in a report she will be presenting early on Wednesday morning. To produce the graphs, David is reliant on another colleague providing the sales data. David asked the colleague to provide the information by Monday morning. It is now Tuesday afternoon, David has not received the sales data and apparently the only colleague with access to the required sales data has gone home sick.

What is the reason for David missing the deadline to produce the graphs?

- A Excessive workload for David
 - B The colleague has not provided information required
 - C Inefficient planning on Bella's part
 - D Higher priority tasks took precedence
- (2 marks)**

28. Claude's line manager, René, has asked him to prepare some graphs on production data by the end of Thursday. It is now Thursday afternoon and Claude has realised he will not meet the deadline.

Which of the following should Claude do?

- A Complete the work when able to
 - B Explain to René as soon as possible
 - C Explain to René at his performance meeting next week
 - D Ignore that this work needs doing
- (2 marks)**

29. Rose's line manager has decided that Rose should have the target to reduce the time spent to complete the daily cash flow forecast by ten minutes over the next six months. This reduction in time should be easily achievable for Rose.

Which of the SMART objective characteristics is missing in Rose's target?

- A Specific
 - B Measurable
 - C Realistic
 - D Time bound
 - E None of the above
- (2 marks)**

30. Which of the following is an upward flow of information in an organisation?

- A Exception report
- B Instructions
- C Briefing

D Decisions (2 marks)

31. A document sets out the individual, specific qualities the organisation is looking for in an individual.

Which of the following documents is being described above?

- A Person specification
 - B Job description
 - C Personal development plan
 - D Job advert
- (2 marks)
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32. A new member of staff has just started working at the company, joining the Accounting Department.

Which of the following would be suitable as the first training approach for the new member of staff?

- A On-the-job training
 - B External training course
 - C Induction training
 - D Reading technical publications
- (2 marks)
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33. Alphonse has calculated the average value of products from four different suppliers to be RWF95,325. The product costs for the four providers are RWF93,200, RWF97,450, RWF112,600 and RWF84,950.

What type of average has Alphonse calculated?

- A Mean
 - B Median
 - C Mode
 - D Percentage
- (2 marks)
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34. Claude has an aim to increase his knowledge on bookkeeping so has signed up to attend a short training course on bookkeeping.

Which of the following components of his Personal Development Plan should this training course be included in?

- A Timescale
 - B Review
 - C Objective
 - D Method
- (2 marks)
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35. Didier is responsible for managing the company's working capital.

Which of the following items would Didier be interested in?

- A Company vehicles
 - B Bank overdraft
 - C Ten-year bank loan
 - D Company buildings
 - E None of the above
- (2 marks)
-

36. A product's selling price of RWF47,799 includes 18% VAT.
What would be the price of the product excluding VAT?
- A RWF56,402
 - B RWF40,507
 - C RWF40,508
 - D RWF56,403
- (2 marks)**
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37. Which of the following are valid reasons for organisations establishing policies and procedures?
- (i) To protect assets of the organisation
 - (ii) To support compliance and efficiency
 - (iii) To increase regulation
- A (ii) only
 - B (iii) only
 - C (i) and (iii)
 - D (i) and (ii)
- (2 marks)**
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38. Cissy, who works in the Payroll Department, contacts the Production Departments each month to obtain the number of overtime hours worked by individual employees.
Which of the following is the purpose of effective communication being adopted by Cissy?
- A To inform
 - B To request
 - C To confide
 - D To build effective working relationships
- (2 marks)**
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39. The Chief Executive wants to update all staff weekly on informal company news, such as staff achievements and charity fund-raising events but has limited time available.
Which of the following would be the most effective medium of communication?
- A Intranet
 - B Telephone
 - C Face-to-face conversations
 - D Letter
- (2 marks)**
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40. A letter has been sent out to all customers informing them of new invoicing procedures. The content of the letter is accurate, does not include any accounting jargon and is written in untidy handwriting. Feedback from customers indicate that the recipients grasped the key points from the letter, despite being hard to read.
Which of the following attributes of clear and appropriate communication is missing from this letter?
- A Technically correct
 - B Achieves its purpose

- C Professionally presented
 - D Clearly understandable
 - E None of the above
- (2 marks)**
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41. Different modes of communication have various advantages and disadvantages.

Which of the following are advantages for using emails in business?

- (i) Pictures or documents can be sent as attachments
- (ii) Emoticons can be inserted
- (iii) Fast delivery

- A (i) only
- B (iii) only
- C (i) and (iii)
- D (i) and (ii)

(2 marks)

42. Which of the following **should** be used in written communication of a business style?

- A Commonly used language
- B Slang words
- C Digressions
- D Acronyms
- E None of the above

(2 marks)

43. Conflict and dissatisfaction which remain unresolved can have a negative impact on the functioning and effectiveness of the team.

Which of the following may result from unresolved conflict?

- A Enhanced communication
- B Escalated hostility
- C Improved co-ordination
- D Consistent viewpoints

(2 marks)

44. Clement is a trainee in the Management Accounting Department and reports directly to Rose, the Head of Department. Rose is a very powerful, demanding manager and is making Clement feel powerless and incapable.

What type of conflict is represented between Clement and Rose?

- A Horizontal
- B Diagonal
- C Vertical
- D Intergroup

(2 marks)

45. Which of the following functions in a retail company is a line function?

- A Sales
- B Information Technology
- C Human Resources
- D Accounting and Finance

(2 marks)

46. Cissy is an Accountancy Trainee and would like to become iCPAR-qualified. Which of the following learning or training approaches would be **most** appropriate to assist Cissy in passing the iCPAR exams?
- A External training course
 - B On-the-job training
 - C Induction training
 - D Internal training course
- (2 marks)**
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47. Ambitious individuals are responsible for maintaining their Continuing Professional Development (CPD) in relation to which of the following?
- (i) Existing job role
 - (ii) Higher level job role
 - (iii) Alternative job role at same level
- A (i) only
 - B (i) and (ii)
 - C (ii) only
 - D (i), (ii) and (iii)
- (2 marks)**
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48. René has been trying to develop positive work habits to minimise the time and effort wasted on tasks. René saves up photocopying to be done in batches to avoid multiple trips to the photocopier and tries to ensure items in the in-box don't pile up.
- Which of the following time management principles proposed by Adair (2009) is René following?
- A Set priorities
 - B Set goals
 - C Focus
 - D Urgency
 - E None of the above
- (2 marks)**
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49. Which of the following should be included within an organisation's data security policies and procedures?
- (i) Weekly computerised backups held off site
 - (ii) Divulging password to your line manager is permitted
 - (iii) Anti-virus software to be installed and used
- A (ii) only
 - B (ii) and (iii)
 - C (i) and (iii)
 - D (iii) only
- (2 marks)**
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50. This month, three-quarters of the total 440 invoices have been processed so far. If it takes five minutes to process each invoice, how long will it take to process the outstanding invoices?
- A 550 minutes
 - B 2,200 minutes
 - C 330 minutes
 - D 1,650 minutes

(2 marks)

Total (100 marks)

End of question paper