



*Republic of Rwanda  
City of Kigali*



## **GASABO DISTRICT**

**DISTRICT COMPREHENSIVE ASSESSMENT, RTQF LEVEL FAUR, 2022-2023**

**TRADE: ACCOUNTING**

**MODULE: MAINTAIN CONTRAL ACCOUNT**

**DATE OF EXAM: ..... MARCH..... Duration: 3hours**

**ACADEMIC YEAR: 2022-2023**

**SECTOR: BUSINESS SERVICES**

**TRADE: ACCOUNTING**

**RTQF LEVEL: 4**

**MARKS:** /100

**DURATION: 3 HOURS**

**INSTRUCTIONS TO CANDIDATES:**

**This Exam paper is composed of Three Sections (A, B, C). Follow the instructions given below, and answer the indicated questions for a total of 100marks**

Section **A**: Fifteen (15) questions, all **Compulsory**. **50 marks**

Section **B**: Nine (9) questions, all **Compulsory**. **30 marks**

Section **C**: Six (6) questions, all **Compulsory**. **20 marks**

**SECTION A: ATTEMPT ALL QUESTIONS****/50 MARKS**

- 01.** Define the following terms: **4 marks**
- a) Bank statement
  - b) Creditors statement
  - c) Bank reconciliation statement.
  - d) Creditor's account reconciliation:
- 02.** Explain the followings: **3 marks**
- a) Errors and frauds
  - b) Control account and Discrepancy.
  - c) Adjusting journal entry
- 03.** Outline five (5) elements that you have to focus on while you are controlling account payable source documents. **5 marks**
- 04.** List 3 Causes of differences between cash book balance and bank statement balance. **3 marks**
- 05.** When is verification of sales made? **3 marks**
- 06.** State how the verification for accuracy of accounts payable documents is running. **4 marks**
- 07.** Explain the term third party confirmation. **3 marks**
- 08.** State five errors in source documents identifications. **3 marks**
- 09.** State five (5) Causes of errors. **5 marks.**
- 10.** Enumerate four reasons why the book balance of cash may not agree with the balance on the bank statement. **4 marks**
- 11.** What are two (2) main reasons of opening a suspense account? **2 marks**
- 12.** Differentiate ledger from trial balance. **2 marks**
- 13.** A creditors S.Mangola is overcast by Rwf 12000 as also a debtor W. Wangala. The trial balance will therefore affect both sides by an overcast of an equal amount.

Required: correct this error made in journal entry. **3 marks**

14. Explain any three advantages of control account. **3 marks**
15. List three procedures of managing discrepancy. **3 marks**

**SECTION B: ATTEMPT ALL QUESTIONS /30 MARKS**

16. Explain how the entry is made in adjusting journal entry. **2 marks**
17. Differentiate from positive and negative confirmation in accounting payable confirmation. **3 marks**
18. Answer by True or False:

Payment control in case of electronic payment:

1. Sprit check printing and signing duties.
2. To make manual and accuracy records.
3. Track check number sequence.
4. To check only pay return.
5. Require manual check signing. **5 marks**

19. Complete the following by using given accounting source documents in book-keeping as: Cheque, Receipt, Deposit slip, Quotation and Sales invoice: **3 marks**

- a) .....special banknote that represents cash paid to the suppliers.
- b) Once the customers have paid the bill, the supplier can issue a.....
- c) When a customer pays by cash or cheque, the seller will write a bank .....which will be taken to the bank and presented together with cash and cheque.

20. Explain the term accounting in terms of accounting control. **3 marks**
21. Discuss three (3) external users of accounting information in account payables. **3 marks**
22. The following balances stood in the ledger of TEC Ltd company on 31<sup>st</sup> December 2021:

Cash in hand	10 800	Rent and Rates	36 000
Cash in at Bank	38 790	Wages and salaries	162 000
Petty cash in hand	1 350	Printing and stationery	33 300
Stock 1 <sup>st</sup> January 2021	54 000	Drawings	22 500
Motor vehicles	270 000	Telephone and telegraph	5 625
Sundry debtors	147 150	Office equipment	90 000
Sundry debtors	119 340	Furniture	67 500
Purchases	351 900	Electricity	6 525
Purchases returns	14 400	Water	1 575
Sales	789 300	Bank charges	540
Sales returns	15 300	Insurance	16 200
Carriage in wards	6 750	Motor expenses	25 200
Carriage outwards	7 875	General office expenses	19 350
Discounts received	15 750		
Discounts allowed	12 600		

### Required

1. Re-arrange /Rectify of the balances in trial balances on the 31<sup>st</sup> December 2021.

**5 marks**

23. Explain the term final accounts.

**3 marks**

24. Identify the main components of final account.

**3 marks**

### **SECTION C. ATTEMPT ALL QUESTIONS**

**/20 MARKS**

25. Explain the importance of internal control for account payable. **2 marks**

26. Discuss how data entry can be used to approve pay control. **3 marks**

- 27.** Explain usefulness of invoice numbering guidelines in data entry to approval pay control. **3 marks**
- 28.** Distinguish purchase ledger and sales ledger in control accounts. **3 marks**
- 29.** Discuss three (3) classification methods of filling documents. **3 marks**
- 30.** Assume that prepaid expenses are initially in asset accounts, fees collected in advance of works are initially recorded as liabilities:
- a)** Depreciation on the company's machinery is computed to be \$16,000 by cost methods
  - b)** The prepaid insurance had a \$9,000 debit balance at December, 31<sup>st</sup>, 2016. Before adjusting for the cost of any expired coverage. An analysis of company's insurance policies showed that \$3,000 of unexpired insurance coverage remains.
  - c)** The office suppliers account had \$600 debit balance on January, 1<sup>st</sup>, 2016 and 2,600 of suppliers was purchased during the year.
- The December, 31<sup>st</sup>, 2016 physical count showed \$500 of the suppliers available.
- d)** One half of the work related to \$10,000 received in advance was performed during the period
  - e)** Interest expenses of 3,500 have been incurred, but are paid as of December, 31<sup>st</sup>, 2016
  - f)** On December, 31<sup>st</sup>, 2016 of the current year a company's adjusted, trial balance revealed the following:

Account receivable of \$185,600 and allowances of doubtful Accounts of \$1,600 (credit balance).

**Required:**

Prepare the adjusted Journal entry to record the estimated for bad debts, assuming 6% of the account receivable balance is assumed to be uncollectible. **6 marks**

**END OF ASSESSMENT!**