

# CERTIFIED PUBLIC ACCOUNTANT FOUNDATION LEVEL 1 EXAMINATIONS <u>F1.3: FINANCIAL ACCOUNTING</u> DATE: TUESDAY, 22 AUGUST 2023 MARKING GUIDE AND MODEL ANSWERS



## PARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST200 ICPARAUGUST2003 ICPARAUGUST2003 ICPARAUGUST2003 ICPARAUGUST2003 ICP

#### .PARAUGUST20,31CPARAUGUST2023 1CPARAUGUST2023 1CPARAUGUST2023 1CPARAUGUST2023 1CPARAUGUST2023 1CPARAUGUST2023 1 CPARAUGUST20 Marking guide 3 1CPARAUGUST2023 1CPARAUGUST2023 1CPARAUGUST2023 1CPARAUGUST2023 1CPARAUGUST2023 1CP

2: Sub questions 3 ICPARAUGUST2023	Marks
a) Award 0.5 mark for each correct classification of adjusting and non-	PARAUGUST2023
adjusting event. Maximum 4 marksraugust2023 (CPARAUGUST2023 (CPARAUGUST20 3 (CI	PARAUGUST2023 I
Do Not Award (DNA) marks on the explanation of adjusting events and	PARAUGUST2023 I
2 <b>non-adjusting events</b> AUGUST2023 ICPARAUGUST2023 ICPARAUGUST20	PARAUGUST2023 I PARAUGUST2023 I
b) PAImportance and limitation of accounting PARAUGUST2023 (PARAUGUST20 3) (C	PARAUGUST2023 I PARAUGUST2023 I
Award 1 mark for each explained importance of financial accounting, maximum 3 marks	PARAUGUST202 <b>3</b> I PARAUGUST2023 I
Award 1 mark for each explained limitation of financial accounting, maximum 3 Note: Consider valid point provided by students but not stated in the model answer	PARAUGUST2023 PARAUGUST2023 I PARAUGUST2023 I PARAUGUST2023 I PARAUGUST2023 I PARAUGUST2023 I
CHIBACCA GUST2023 ICPARALIGUST2023 ICPARALIGUST2023 ICPARALIGUST2023 ICPARALIGUST2013 ICI 2. Sub-Troca F12023 ICPARALIGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICI 2. Sub-Troca F12023 ICPARAUGUST2023 ICPARAUGUST202	PARAUGUST2023 I PARAUGUST20 <b>10</b> PARAUGUST2023 I
c) i) Preparation of Statement of profit or loss and other comprehensive	PARAUGUST2023 I PARAUGUST2023 I PARAUGUST2023 I
2 <b>Inconne</b> gust2023 ICPARAUGUST2023 ICPARAUGUS	PARAUGUST2023 I PARAUGUST2023 I
Other revenues (Including related workings)	P <u>ARAUGUST2023</u> I PARAUGUST2023
Cost of sales (Including related workings) 2023 [CPARAUGUST2023 [CPARAUGUST20] 210]	PARAUGUST20231 PARAUGUST20231
/3 ICPARAUGUSI 2023 ICPARAUGUSI 2023 ICPARAUGUSI 2023 ICPARAUGUSI 2023 ICPARAUGUSI 2013 ICP	PARAUGUST2023 I PARAUGUST2023
Administrative costs (Including related workings) ARAUGUST2023 (CPARAUGUST20 3) CI Distribution costs (Including items shown in the workings) 023 (CPARAUGUST20 3) CI	PARAUGUST2023 I
23 ICPARALICUST2023 ICPARALICUST2023 ICPARALICUST2023 ICPARALICUST2023 ICPARALICUST2023 ICP	ARAUGUST20221
Finance Costs (Including related workings) 023 ICPARAUGUST 2023 ICPARAUGUST 20 3 ICP	PARAUGUST202 <b>2</b> I PARAUGUST2023 I
Revaluation gain cparaugust2023 (cparaugust2023 (cparaugust20)	PARAUGUST2023 I PARAUGUST2023 I
Presentation and format UST2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST20	PARAUGUST2023 I PARAUGUST2022 I
2. Sud-Tota F12023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST20	PARAUGUST20151 PARAUGUST20231
CPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST20 23 ICPARAUGUST20	PARAUGUST2023 I PARAUGUST2023 I
Well-presented freehold property in the face of SOFP GUST2023 ICPARAUGUST20 3 ICI	PARAUGUST2023 I PARAUGUST2 $0.5$ I
Building (Including related workings) GUST2023 ICPARAUGUST2023 ICPARAUGUST20 3 ICI	$\frac{1}{2}$
Correct presentation of machinery in the face of SOFP UST20231CPARAUGUST20 31CI	ARAUGUST2023 I
Correct presentation of office Equipment in the face of financial position	PARAUGUST202.1
Correct presentation of investment property in the face of SOFP	PARAUGUST20231 PARAUGUST20231
Correct presentation of inventory	$\frac{PARAUGUST20231}{PARAUGUST2025}$
Accounts receivable (Including prepaid rental expense)	$\frac{PARAUGUST20231}{PARAUGUST20251}$
Share capital (Including related working) ST2023 ICPARAUGUST2023 ICPARAUGUST20 3 ICI	PARAUGUST2023 I PARAUGUST2023 I
Share premium (Including related working) 023 (CPARAUGUST2023 (CPARAUGUST20 3 (C)	PARAUGUST2023 I PARAUGUST2023 I
Revaluation reserves August 2023 ICPARAUGUST 2023 ICPARAU	PARAUGUST2023I
Retained Earnings araugust 2023 ICPARAUGUST 2023 ICPARAUG	PARAUGUST20.5
6% Loan 1992 100 100 100 100 100 100 100 100 100 10	PARAUGUST20231 PARAUGUST20,5
2 MC PARAGUIST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST20 3 ICI 2 <b>10% Loan</b> St2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203	PARAUGUST20231 PARAUGUST2025
Differed Grant <sup>3</sup> ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST2003 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST203 ICPA	$\frac{PARAUGUST20231}{PARAUGUST20251}$
Differed Grant Current Portion ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST20 3 ICI	$\frac{1}{2} \frac{1}{2} \frac{1}$
Accounts Payable paraugust 2023 ICPARAUgust 2023 ICPARAUg	PARAUGUST2023 I PARAUGUST2 $0.5$ I

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CPARAUGUST20; FICZARAUGUST2023 ICPARAUGUST2023 ICPARAUGUS

Accrued exp	ense (includ	ing related v	workings)	BICPARAU	GUST2023	ICPARAU	JGUST20	23 IC	PARAU	GUST2	02 <b>2</b> ICI
Tax Payable	2023 ICPARAUGU	JST2023 ICPAR	AUGUST202	BICPARAUC	GUST2023	ICPARAU	JGUST20	23 IC	PARAU	GUST2	0.5
Bank overdr	<del>.023 ICPARAUGU</del> aft <sub>3</sub> ICPARAUGU	J <del>ST2023 ICPAR</del> JST2023 ICPAR	AUGUST202: AUGUST202:	BICPARAUC BICPARAUC	<del>JUST2023</del> JUST2023	ICPARAU	JGUST20 JGUST20	23 IC 23 IC	parau parau	GUST2	0.5
Subtotal	2023 ICPARAUGU 2023 ICPARAUGU	IST2023 ICPAR JST2023 ICPAR	AUGUST202. AUGUST202.	3 ICPARAUO 3 ICPARAUO	JUST2023 JUST2023	ICPARAU ICPARAU	JGUST20 JGUST20	23 IC 23 IC	parau parau	GUST2	15 <sup>10</sup>
<b>Total Mark</b>	2023 ICPARAUGU	JST2023 ICPAR IST2023 ICPAR	AUGUST202. AUGUST202:	BICPARAUC	GUST2023 GUST2023	ICPARAU	JGUST20 JGUST20	23 IC	PARAU Parau	GUST2	40
23 ICPARAUGUST:	2023 ICPARAUGU	JST2023 ICPAR	AUGUST202	BICPARAUC	JUST2023	ICPARAU	JGUST20	23 IC	PARAU	GUST2	023 ICI

**Model Answers** 

a) State whether the following are or are not adjusting events in the financial statements

Adjusting events: Those that provide evidence of conditions that existed at the balance sheet date Non-adjusting events: Those that are indicative of conditions that arose after the balance sheet

date ARAU

SZPA Nora	RTIGUSTOF DEPARATIONT2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST RAL <b>YDE OF TRANACTION</b> RAUGUST2023 ICPARAUGUST2023 ICPARAUGUST203 I	Type of Event
ICPA ICPA ICPA	Settlement of a court case that confirms that the entity had a present obligation at the balance sheet date.	Adjusting Event
ICPA ICPA ICPA ICPA	Evidence that an asset was impaired at the balance sheet date, the bankruptcy of a debtor and selling prices achieved for inventory after the balance sheet date.	Adjusting Event
III ICPA	Discovery of fraud or error indicating that the financial statements are misstated.	Adjusting Event
iv <sup>pa</sup> ICPA	Bonuses relating to the year but determined after balance sheet date	Non-Adjusting Event
VICPA VICPA ICPA	A major business combination august2023 ICPARAUGUST2023 ICPARAUGUST RAUGUST2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST2	Non-adjusting Event
NCPA VLPA	Announcing a plan to discontinue an operation or a major paraugust restructuring.	Non-adjusting event
VIIPA BICPA BICPA BICPA BICPA	Major purchases of assets, classification of assets as held for sale or destruction of assets by, for example, fire or flood after the reporting date	Non-adjusting event 2023 ICPARAUGUST20 223 ICPARAUGUST20
ICPA VIIPA ICPA	Commencing major litigation relating to events occurring after the balance sheet date.	Non-Adjusting Event

RAUGUST20251CFARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2025 ICPARAUGUST2023 ICP

#### (b) Explain the importance and limitations of financial accounting

#### Importance of financial accounting

- 23 ICPARAUGUST2023 ICPARAUGUST2023 ICPARA
- 1. **Records past financial transactions:** Accounting deals only with those transactions which are measurable in terms of money. Anything which cannot be expressed in monetary terms does not form part of financial accounting.
- 2. **Recording financial information:** Accounting is an art of recording financial transactions of a business concern. There is a limitation for human memory. It is not possible to remember all transactions of the business. Therefore, the information is recorded in a set of books called Journal and other subsidiary books and it is useful for management in its decision-making process.
- 3. **Preparation of financial statements:** Financial information recorded in the list of account i.e trial balance are used to report on financial performance and financial position of the company for specific period
- 4. **Classification of Data:** The recorded data is arranged in a manner to group the transactions of similar nature at one place so that full information of these items may be collected under different heads.
- 5. **Interpretation of financial statements:** It is concerned with explaining the meaning and significance of the relationship established by the analysis. It should be useful to the users, so as to enable them to take correct decisions using ratio, vertical, horizontal analysis etc...
- 6. **Communicating the results:** The profitability and financial position of the business as interpreted above are communicated to the interested parties at regular intervals so as to assist them make their own conclusions.
- 7. Financial accounting helps to establish the relationship between the items of the profit and loss account and the balance sheet. The purpose is to identify the financial strength and weakness of the business. It also provides a basis for interpretation.

#### Limitations of Financial accounting

F1.3

- 1. It focusses only the quantitative information and qualitative information has no room in financial accounting
- 2. It records only the historical cost. The impact of future uncertainties has no place in financial accounting.
- 3. It does not take into account price level changes
- 4. It provides information about the whole concern. Product-wise, process-wise, departmentwise or information of any other line of activity cannot be obtained separately from the financial accounting.
- 5. Accounting estimates do not represent reality of the company's performance. Financial accounting allows estimates which could not represent actual results of company's operation
- 5. In case of loss, whether loss can be reduced or converted into profit by means of cost control and cost reduction? Financial accounting does not answer this question.
- 7. It is not helpful to the management in taking strategic decisions like replacement of assets, introduction of new products, discontinuation of an existing line, expansion of capacity, etc.

(c) i)

### Burera Trading Company (BTC) LTD

Statement of profit or loss and other comprehensive income for the period ended 31 December 2021

3 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGU 3 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGU	IST2023 ICPARAUGUST2023	ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA
<b>Revenues</b> st2023 icparaugust2023 icparaugu	ST2023 ICPARAUGUST2023 IST2023 ICPARAUGUST2023	ICPARAUGUST2023 ICPARAUG12,200
Cost of Sales 223 ICPARAUGUST 2023 ICPARAUGU	1512023 ICPARAUGUST 2023 151 <b>2</b> 023 ICPARAUGUST 2023	1CPARAUGUST2023 ICPARAUGUST2023 ICPARAUG $(5,310)$
STEPARAUGUS 12023 TEPARAUGUS 12023 TEPARAUGU S <b>Gross Profit</b> o23 teparaugus 12023 teparaugu	IST2023 ICPARAUGUST2023 IST2023 ICPARAUGUST2023	TCPARAUGUST2023 TCPARAUGUS <b>6,820</b> TCPARAUGUST2023 TCPARAUGU <b>6,820</b>
Other revenues: ICPARAUGUST2023 ICPARAUGU	IST2023 ICPARAUGUST2023 IST2023 ICPARAUGUST2023	ICPARAUGUST2023 ICPARAUGUS1,080
3 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGU 3 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGU	IST2023 ICPARAUGUST2023 IST2023 ICPARAUGUST2023	ICPARAUGUST2023 ICPARAUGUS <b>7,970</b> ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST
Operating Expenses UGUST2023 ICPARAUGU	ST2023 ICPARAUGUST2023 IST2023 ICPARAUGUST2023	ICPARAUGUST2023 ICPARAUGUST2023 I ICPARAUGUST2023 ICPARAUGUST2023 I
Administrative costs AUGUST2023 ICPARAUGU	$3_{2023}$ icparaugust202. S $3_{2023}$ icparaugust202.	1CPARAUGUST2023 ICPARAUG $(2,355)$
Distribution costs PARAUGUST 2023 ICPARAUGU	ST2023 ICPARAUGUST202. ST2023 ICPARAUGUST202.	$\frac{1}{10000000000000000000000000000000000$
Finance costs 23 ICPARAUGUST2023 ICPARAUGU	IST2023 ICPARAUGUST2023 IST2023 ICPARAUGUST2023	ICPARAUGUST2023 ICPARAUG (4,024)
Total Operating Expenses	ST2023 ICPARAUGUST2023 ST2023 ICPARAUGUST2023	ICPARAUGUST2023 ICPARAUG (7,509)
Net Profit before tax ugust2023 icparaugu	ST2023 ICPARAUGUST2023 ST2023 ICPARAUGUST2023	ICPARAUGUST2023 ICPARAUGUST2461
Income tax 12023 ICPARAUGUST2023 ICPARAUGU	JST2023 ICPARAUGUST2023 IST2023 ICPARAUGUST2023	ICPARAUGUST2023 ICPARAUGUS(300)
Net Profit After tax AUGUST2023 ICPARAUGU	IST2023 ICPARAUGUST2023 IST2023 ICPARAUGUST2023	ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 I
Other Comprehensive Income	IST2023 ICPARAUGUST2023 IST2023 ICPARAUGUST2023	ICPARAUGUST2023 ICPARAUGUST2023 I ICPARALICUST2023 ICPARAUGUST2023 I
Revaluation gain PARAUGUST2023 (CPARAUGU	IST2023 ICPARAUGUST2023 IST2023 ICPARAUGUST2023	ICPARAUGUST2023 ICPARAUGUS1;400I
Total comprehensive income	ST2023 ICPARAUGUST2023	ICPARAUGUST2023 ICPARAUGUS <b>1,561</b>

(c) ii)

## Burera Trading Company (BTC) LTD

Statement of financial position as at 31 December 2021.

Particulars 2023 icparaugust2023 icparaugust2023 icparau Particulars 2023 icparaugust2023 icparaugust2023 icparau	JGUST202310 JGUST202310	Notes	FRW (000)
Non-Current Assets UGUST2023 ICPARAUGUST2023 ICPARAU	JGUST202310	CPARAUGUST2	23 ICPARAUGUST2023 I
Freehold property PARAUGUST 2023 ICPARAUGUST 2023 ICPARAU	JGUST202310	CPARAUGUST2	23 ICPARAUGUS <b>7,920</b>
Building ust2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAU Building ust2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAU	JGUST202310 JGUST202310	CPARAUGUSTO	21,000
Machinery T2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAU	JGUST2023IO	CPARAUGUST8	23 ICPARAUGUST 320
Office equipment PARAUGUST2023 ICPARAUGUST2023 ICPARAU	JGUST202310 JGUST202310	CPARAUGUSIO	23 ICPARAUGUST 840
Investment property august 2023 (CPARAUGUST 2023 (CPARAUG	JGUST202310 JGUST202310	CPARAUGUST C	21,000
Total non-current assets 12023 ICPARAUGUST2023 ICPARAU	JGUST2023I	CPARAUGUST2	23 ICPARAUG <b>51,080</b>
Current assets icparaugust2023 icparaugust2023 icparaugust2023 icparau	JGUST2023 K JGUST2023 K	CPARAUGUST20 CPARAUGUST20	23 ICPARAUGUST2023   23 ICPARAUGUST2023
Inventory ST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAU	JGUST202310	CPARAUGUST2	23 ICPARAUGUST 270
Accounts receivable AUGUST2023 ICPARAUGUST2023 ICPARAU	JGUST202310	CPARAUGUST2	23 ICPARAUGUS 2,629
Total current assets august 2023 icparaugust 2023 icparau	JGUST202310 IGUST202310	CPARAUGUST20	23 ICPARAUGU <b>2,899</b>
Total assets	JGUST2023IO	CPARAUGUST2	23 ICPARAUG 53,979
Equity and liabilities JGUST2023 ICPARAUGUST2023 ICPARAU	JGUST2023 IG JGUST2023 IG	CPARAUGUST20	23 ICPARAUGUST2023 I
EUPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAU Equity.igust2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAU	JGUST202310	PARAUGUST2	23 ICPARAUGUST2023 I
Share capital 023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAU	JGUST202310	CPARAUGUS12	23 ICPARAUGUS4,000
Share premium ICPARAUGUST2023 ICPARAUGUST2023 ICPARAU	JGUST202310 JGUST202310	CPARAUGUSED	1231CPARAUGUS $12031$
Revaluation reserves	JGUST202310 IGUST202310	CPARAUGUST6	23 ICPARAUGU 1,400

2023 ICPARAUGUST 2023 I

Retained Earnings ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUS 4023 ICPARAUGUS 3861
Total Equity 23 icparaugust 2023 icparau	2023 ICPARAUGUST2023 ICPARAUGU <b>8,361</b>
Liabilities, 12023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST2023 ICPARAUGUST2023
Non-Current Liabilities ST2023 ICPARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST2023 ICPARAUGUST2023
6% Loan UST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST2023 ICPARAUGUST2 $400$
10% Loan st2023 icparaugust2023 icparaugust	2023 ICPARAUGUST 2023 ICPARAUGUST 2023 ICPARAUGUST 2023 ICPARAUGUST 2023 ICPARAUGU <b>40,000</b>
Differed grant 23 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST 2023 ICPARAUGUST 240 2023 ICPARAUGUST 2023 ICPARAUGUST 2023
Total non-current liabilities <sup>23</sup> ICPARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST2023 ICPARAUGI <b>40,640</b>
Current Liabilities	2023 ICPARAUGUST2023 ICPARAUGUST2023
Differed grant current portion <sup>23</sup> ICPARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST <b>9</b> 023 ICPARAUGUST20 <b>80</b>
Accounts payableparaugust2023 icparaugust2023 icparaugust2	2023 ICPARAUGUST 2023 ICPARAUGUST 2023 $2023$ ICPARAUGUST 2023 ICPARAUGUST 2023 ICPARAUGUST 2023 $424$
Accruals ust 2023 ICPARAUGUST 2023 ICPAR	2023 ICPARAUGU $15$ 23 ICPARAUGU $4,074$
Tax payable 2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2 2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST203	2023 ICPARAUGUST2023 ICPARAUGUST2 <b>300</b> 2023 ICPARAUGUST2023 ICPARAUGUST2 <b>02</b>
Bank overdraft	2023 ICPARAUGUST2023 ICPARAUGUST2 <b>100</b>
Total current liabilities ST2023 ICPARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST2023 ICPARAUGUS <b>4,978</b>
Total Liabilities oparaugust2023 icparaugust2023 icparaugust2	2023 ICPARAUGUST2023 ICPARAUG1 <b>45,618</b>
Total equity and liabilities 023 icparaugust2023 icparaugust2	2012 3 ICPARAUGUST 2012 1 CPARAUGUST 100 2012 3 ICPARAUGUST 2012 3 ICPARAUGU <b>53,979</b>

#### **Workings**

3 ICPARA 3 ICPARA	UC Cost of Sales UST2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUS	FRW (000)
CPARA CPARA	UC Opening inventory 023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST203 ICP	US <sup>1</sup> 2023 ICPARAUGUST <b>500</b>
CPARA	UC Purchase ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST203 IC	US 2023 ICPARAUGUS 5,000
CPARA	Less: closing inventory parallelist 2023 (CPARAUGUST 2023	US 2023 ICPARAUGUS (270)
CPARA CPARA	Depreciation of machinery 400/5 <sup>2023</sup> ICPARAUGUST2023 ICPARAUG	$\frac{103}{2023} \frac{101}{100} \frac{100}{100} 1$
CPARA	UGUST2023 ICPARAUGUST2023 ICPARAUGUST203	ius 2023 icparaugus <b>5,310</b>
CPARA	UGUST2023 ICPARAUGUST2023 ICPARAUGUST202	UST2023 ICPARAUGUST2023 I SUST2023 ICPARAUGUST2023 I
CPARA CPARA	ug <b>Other revenues</b> t2023 iCPARAUGUST2023 iCPARAUGUST203 iCPARAUGUST203 iCPARAUGUST203 iCPARAUGUST203 iCPARAUGUST203 iCPARAUGUST203 iCPARAUGUST203 iCPARAUGUST203 i	BUS 2023 ICPA FRW (000)
CPARA CPARA	Gain on FIV (Building) CPARAUGUST 2023 ICPARAUGUST 2023 I	105 2023 ICPARAUGUST2023
CPARA CPARA	Amortization of Grant PARAUGUST 2023 ICPARAUGUST 2023 ICP	103 2023 ICPARAUGUST2023 FUST2023 ICPARAUGUST20 $80$
CPARA CPARA	UCUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUC UCUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUC	US 2023 ICPARAUGUS 2023 IUS 2023 ICPARAUGUS <b>1,080</b>
CPARA CPARA	UGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUC UGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUC	GUS 2023 ICPARAUGUST2023 I GUS 2023 ICPARAUGUST2023 I
CPARA CPARA	Administrative expenses august2023 iCPARAUGUST2023 iCPARAUGUST203 iCPARAUGUST	FRW (000)
CPARA CPARA	UC Balance as per TB <sub>023</sub> ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST20	US 2023 ICPARAUGUS 2023 ICPARAUGUS 1,848
CPARA	UC Prepaid Rent GUST2023 ICPARAUGUST2023 ICPARAUGUST203 ICP	us 2023 icparaugust (13)
CPARA	Depreciation of Building	US 2023 ICPARAUGUST2400
CPARA	Depreciation-Office Equipment	$\frac{103}{2023} \frac{102}{1000} \frac{1000}{1000} $
CPARA	UGUST2023 ICPARAUGUST2023 ICPARAUGUST202	US 2023 ICPARAUGUS 2,355
CPARA	ugu Distribution costs <sup>023</sup> icparaugust2023 icparaugus	US 2023 ICPA <b>FRW</b> (000)
CPARA CPARA	UC Balance as per TB023 ICPARAUGUST2023 ICPARAUGUS	$105^{-2023}$ icparaugust2023 $105^{-2023}$ icparaugus $1,080$
icpara Icpara	UC Advertisement costs 3 ICPARAUGUST2023 ICPARAUG	$105^{+}2023$ icparaugust2023 $105^{+}2023$ icparaugust20 $50$
ICPARA ICPARA	UCUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG UGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG	iust2023 icparaugust2023 i iust2023 icparaugus <b>1,130</b>
CPARA CPARA	UCUST2023 ICPARAUGUST2023 ICPARAUG	US <sup>*</sup> 2023 ICPARAUGUST2023 I US <sup>*</sup> 2023 ICPARAUGUST2023 I
ICPARA ICPARA	UC Finance Costs 152023 ICPARAUGUST2023 ICPARAUGUST203 I	<b>FRW (000)</b>
ICPARA	Balance as per TB <sub>023</sub> (CPARAUGUST2023 (CPARAUGUST20) (CPARAUGUST2023 (CPARAUG	US 2023 ICPARAUGUST2023 I

CPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023

3 ICPARA	0 6% Loan interest 2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUS	3 ICPARAUGUST2024
3 ICPARA 3 ICPARA 3 ICPARA	UC 10% Building finance loan 40,000*10% RAUGUST2023 ICPARAUGUS 202	3 ICPARAUGUS <b>4,000</b> 23 ICPARAUGUST2023
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3 ICPARA 3 ICPARA	UGUST2023 ICPARAUGUST2023 ICPA	3 ICPARAUGUST2023 23 ICPARAUGUST2023
6 CPARA	UGUST2223 (CPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUS 12023 ICPARAUGUS 1202 UGU <b>Building</b> araugust2023 ICPARAUGUST2023 ICPARAUGUST202	FRW(000)
3 ICPARA	UG Balance as per TB023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUS 202	3 ICPARAUGUST2023
3 ICPARA	Cost of Building (own occupied FRW million*50%) CPARAUGUS 202	3 ICPARAUGI20,000
3 ICPARA	UC Depreciation 20,000/50 ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUS 202	3  icparaugus(400)
3 ICPARA 3 ICPARA	Revaluation gain (Balancing figure)	3 ICPARAUGUS1,400
3 ICPARA 3 ICPARA	Revalued amount of own occupied part FRW 42 million*50%	23 ICPARAUGU <b>21,000</b>
TCPARA	Building-Investment property	FRW (000)
3 ICPARA 3 ICPARA	UC Balance as per TB023 ICPARAUGUST2023 ICPARAUGUST203 ICPAR	3 ICPARAUGUST2023
3 ICPARA	UC Cost of Building 12023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023	3 ICPARAUGI 20,000
3 ICPARA 3 ICPARA	Gain on FV measurement (Balancing figure)	3 ICPARAUGUS <b>1,000</b> 3 ICPARAUGUST2023
3 ICPARA 3 ICPARA	Revalued amount of rented floors <sup>023</sup> ICPARAUGUST2023 ICPARAUGUS	23 ICPARAUGI <b>21,000</b> 23 ICPARAUGUST2023
3 ICPARA 3 <b>8</b> CPARA 3 ICPARA	UCUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202 UGU <b>Mach infery</b> UGUST2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST203 ICPARAU	<b>FRW (000</b> )
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3 ICPARA 3 ICPARA	Acquired machinery (Grant) GUST2023 ICPARAUGUST2023 ICPARAUGUS 202	3 ICPARAUGUST2400
3 ICPARA 3 ICPARA	UC Depreciation(400/5years) AUGUST2023 ICPARALIGUST2023 ICPARALIGUS 202	3  ICPARAUGUST(80)
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<del>3 ICPARA</del> 3 ICPARA	Current portion (12 months period) a reparaugust 2023 reparaugus 202	3 ICPARAUGUST2023
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3 ICPARA 3 ICPARA	Balance as per TB <sub>023</sub> icparaugus 2023 icparau	3 ICPARAUGUS1,200
3 ICPARA	Accumulated Depreciation	3 ICPARAUGUS (240)
3 ICPARA	Depreciation of the year (1,200/10 years)	3 ICPARAUGUS (120)
3 ICPARA	LIC UST2023 ICPARALIGUST2023 ICPARALIGUST203 ICPARALIGUST20	3 ICPARAUGUST 840
3]ICPARA	UC UACCOUNTS PECCEIVABLE ICPARAUGUST2023 ICPARAUGUST203	3 ICPA FRW (000)
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3 ICPARA	uc Share Capital Account	31CPA <b>FRW (000)</b>
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3 <b>12</b> para 3 icpara 3 icpara <del>3 icpara</del> 3 icpara	Balance as per TB0231CPARAUGUST20231CPARAUGUST20231CPARAUGUS 202 Reclassified share premium (0.8*500,000 shares)0231CPARAUGUS 202	3 icparaugus <b>4,400</b> 3 icparaugus <b>(400)</b>

CPARAUGUST2027 CPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023

<b>IG</b> PARAU	JGU <b>Share premium</b> <sup>72023</sup> ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUS <sup>720</sup>	23 ICPA FRW (000)
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ICPARAU ICPARAU	IC SIZE CONTRACTOR AND A CONTRACT AN	23 ICPARAUGUST2023 IO 23 ICPARAUGUST20 <b>50</b> IO
ICPARAU ICPARAU	Interest on 10% loan taken to acquire building 40,000*10%	23 ICPARAUGUST 2023 ICPARAUGUS 4,000
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ICPARAU	JGUST2023 ICPARAUGUST2023 ICPARAUGUST2003 ICPA	23 ICPARAUGUST2023 IC
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	JGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST20 JGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST20	
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## **QUESTION TWO**

#### Marking Guide

a) Components of Working Capital Management, ugust2023 iCPARAUGUST2023 iCPARAUGUST	Mark s
Award 1.5 marks for each explained component of working capital, maximum 6 marks	UST2023 UST2020 UST2023
b) i) Ratio Analysis august2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023	JUST2023
Award 0.5 marks for a correct formula, maximum 3.5 marks231CPARAUGUST20231CPARAU	30312023 $30512023$
b) ii) Interpretations ugust2023 icparaugust2023 i	UST2023
Current ratio 023 ICPARAUGUST2023 ICPARAUGUST2003 ICPARAUGUST2003 ICPARAUGUST2003 ICPARAUGUST2003 ICPARAUGUST2003 ICPARAUGUST2003 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST20	JUST2023
Quick ratio <sup>12023</sup> ICPARAUGUST2023	GUST2023 GUST2023
Return on capital employed 2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST2	UST2022
Receivable days CPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023	ust2023
Payable, days 12023 icparaugus 12023 icpara	HUST2023 HUST2022
Inventory turnover a particus 2023 icparaugus	UST2023
Gross profit margin RAUGUST2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 IC	JUST2023
a CPARAUGUS 12023 iCPARAUGUS 12023 iCPARAUGUS 12023 iCPARAUGUS 12023 iCPARAUGUS 12023 iCPARAUGUS 12023 iCPARAUG 3 <b>Total marks</b> o23 iCPARAUGUS 12023 iCPARAUGUS 12023 iCPARAUGUS 12023 iCPARAUGUS 12023 iCPARAUGUS 12023 iCPARAUGUS	GUST2023

#### **Model Answers**

(a) Explain the components of working capital management

Working capital management is mainly composed with current assets and current liabilities

- 1. **Inventory (stock):** Stock or Inventory are the goods, purchased by company with a view to resell in the market and earn profits or be used in production process. The turnover of inventory determines.
- 2. Accounts receivable (debtors): The account receivable is the amount of money receivable from clients and arises due to credit sales by the company in the normal course of business. You will find account receivables on the company's balance sheet under the current assets.
- **3.** Cash and cash equivalent: This is the most liquid asset and very essential for every business to maintain the smooth operations of their business.
- 4. Accounts payable (creditors): Accounts payable are the obligation of a company to pay off its debt when comes due from its creditors, and suppliers.
- (b)
- i) Show how each of the above financial ratios are calculated

Ratio type T2023 ICPARAUGUST202	Formula T2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 IC
Current ratio 023 ICPARAUGUST 202	Current assets/current liabilitiesparaugust20231CPARAUgust20231
Quick Asset (Acid test) ratio	Quick assets (Current assets -inventory and prepayments)
3 ICPARAUGUST2023 ICPARAUGUST202	Current liabilities RAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023
Return on Capital Employed (ROCE)	Net profit/ Capital employed 3 ICPARAUGUST2023 ICPARAUGUST2023 IC ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023
Accounts receivable days st202	(Account receivable/ credit Sales) *365 days ICPARAUGUST2023 10
Accounts payable days	(Account payables/ credit purchases*365 days paraugust2023)
Inventory (stock) turnover	Cost of sales/average stock
Gross profit margin RAUGUST202	Gross profit/Sales GAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2003 ICPARAUGUST2003 ICPARAUGUST2003 ICPARAUGUST203 ICPARAUGUST2003 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST203 I

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# ii) Using provided information for both companies, analyze financial performance of these companies against each other and the industry perspective.

1. Current Ratio: Usually, current ratio tests the company's ability to pay off available current liabilities using current assets. HWK had current ratio of 2:1 and KY had 1.5:1. This means that HWK's current assets could pay available current liabilities as current assets is double of its current liabilities. On the other hand, KY Ltd had the ability to pay its current liabilities using current assets however, it is below the industry average. When you compare both companies, you realize that HWK has much ability to pay its current liabilities using current assets than KY. For industry perspective, you may realize that in terms of current ratio, HWK is better than KY as KY is below the industry average.

2. Quick asset (acid test ratio): The quick asset (acid test) ratio tests ability of the company's current assets less inventory and prepayments to pay off current liabilities. HWK Ltd had the quick ratio of 1.7:1 and KY had 0.7:1. This means that HWK's quick assets could pay all available current liabilities. On the other hand, KY Ltd could not pay their current liability without disposing of inventory. When you compare both companies, you realize that HWK Ltd was much liquid in terms of quick asset than KY Ltd. For industry perspective, HWK Ltd quick ratio is above industry average, this could be taken as best but it could result into idle funds. What they can do, is to purchase market securities using surplus funds. For KY Ltd, their quick ratio was below industry average which indicates poor performance in terms of liquidity position

**3. Return on capital employed:** ROCE ratio illustrates that what is important is not simply how much profit made but how well company employed their capital. It was apparently clear that both HWK Ltd and KY Ltd had 5% and 2% respectively above industry level. Even though HWK's used efficiently their capital than KY Ltd, but for industry perspective both companies were quiet performing well as they were all above industry average.

4. Accounts receivable days: Accounts receivable days measure the company's ability to collect its accounts receivable (debtors). It measures how well company could collect receivables from its customers. For provided scenario, it was clear that HWK Ltd and KY Ltd had accounts receivable days of 53 days and 29 days respectively. This means that KY Ltd was efficient in collecting its debts than HWK Ltd as it uses few days to collects its debts. On the other hand, it may be a risk of losing customers for KY as it pressurizes its customers to pay back as early as possible. For industry perspective, it is clear KY Ltd is more efficient in collecting its debts than HWK Ltd as its accounts receivable days is beyond the industry average which could reduce company's liquidity.

5. Accounts payable days: Accounts payable days measure the companies' ability to pay its creditors within stated credit period. The more days the better, but the company has to be careful to protect reputation with creditors. For our companies, it is clear that HWK and KY have accounts payable days of 60 days and 70 days respectively. This means that KY Ltd was efficient in paying their payables than HWK Ltd as it uses more days. It may be also a risk of losing your suppliers as the company delays payments. KY Ltd were in risk of losing potential suppliers due to long days taken to pay debt. For industry perspective, both companies were inefficient in paying their payables as they usually use more days than the industry average of 45 days.

6. Inventory (Stock turnover): The inventory (stock) turnover measures how efficient a business is at maintaining an appropriate level of stock. When company is less efficient than its competitors, their turnover become less compared to others. HWK Ltd and KY Ltd had 23 times and 25 times respectively. It is obvious that KY Ltd was better than KWK Ltd for stock turnover but all companies were above the industry level, which was better indicator for operating results.

7. Gross profit margin: The gross profit margin, measure the percentage of gross profit to sales. The higher the percentage, the better. But the company may have a higher gross profit margin but not performing well, as we should consider also operating expenses. HWK Ltd and KY Ltd's gross profit margin are 40% and 22% respectively. It is very clear that HWK Ltd performed well than KY Ltd but they are all performing above the industry level

#### **QUESTION THREE**

#### Marking Guide

Sub questions 3 ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUG Mark
a) Reasons for difference of cash	book and bank statement ICPARAUGUST2023 ICPA	RAUGUST202
Award 0.5 marks for every valid p	oint, maximum 2 marks 2023 ICPARAUGUST 2023 ICPA	RAUGUST202
Marks. Jgust2023 icparaugust2023 icp	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202 RAUGUST202
b) i) Updated cashbook ST2028 (CP	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202 RAUGUST202
Balance Brought forward	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202. RAUGUST202.
Omitted bank charges	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202 RAUGUST202
Error made (Sundries)	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202
Dishonoured cheque	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202
Standing order-Rates	ARAUGUS 120231CPARAUGUS 120231CPARAUGUS 120231CPA ARAUGUST20231CPARAUGUST20231CPARAUGUST20231CPA	RAUGUST202
Dividends received RAUGUST2023 ICP	ARAUGUST20231CPARAUGUST20231CPARAUGUST20231CPA ARAUGUST20231CPARAUGUST20231CPARAUGUST20231CPA	RAUGUST202 RAUGUST202
Error correction-Stationery 2023 ICP	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202 RAUGUST202
Error of opening balance	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202 RAUGUST202
Updated Cash book balance	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202 RAUGUST202
Marks IGUST2023 ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202
b) ii) Bank reconciliation	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202
Balance as per updated Cashbook	ARAUGUST2023 ICFARAUGUST2023 ICFARAUGUST2023 ICFA	RAUGUST202
Cheque to IYAMARERE	ARAUGUS 12023 ICPARAUGUS 12023 ICPARAUGUS 12023 ICPA ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202
Errors made by the bank ST2023 ICP	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202 RAUGUST202
Cheque from AYUBU GUST2023 ICP	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202 RAUGUST202
Errors made by bank	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202 RAUGUST202
Balance as per bank statement	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202. RAUGUST202
Marks GUST2023 ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202 RAUGUST202
Total Marks 223 ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	RAUGUST202 RAUGUST202

JST20 PLCPARAUGUST2023 ICPARAUGUST2023 ICPARAU

i) State	e potential reasons for d	ifference betwe	en cash book and bank state	PARAUGUST2023 ICPA <b>ment</b> GUST2023 ICPA	
Erroi	rs made by the bank	PARAUGUST2023 ICF PARAUGUST2023 ICF	PARAUGUST2023 ICPARAUGUST2023 IC PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICP/ PARAUGUST2023 ICP/	
	Errors made in cashbook by accountant				
3. Chec	ues drawn by the compar	ny but not yet pr	esented to the bank	PARAUGUST2023 ICP/	
JIGIANAUN	ling orders not recorded	1 MMOGUG12020 IOI	PARAUGUST2023 ICPARAUGUST2023 IC PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICP/	
3 ICPARALI	charges not recorded in	PARAUGUST20231CF	PARAUGUST2023 ICPARAUGUST2023 IC PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICPA PARAUGUST2023 ICPA	
2 ICDADATIC	LICTODO LODADA HOHOTODO 2 IO	DADAHCHSTODO2ICI	to company's account by the b	PARAUGUST2023 ICPA ank)JGUST2023 ICPA	
0.700.00.177		DIDITOTIONO CONTOR	C for the month of 30 Septen	DIDITIOTIOMO COOTODI	
Drarau	GUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICH PARAUGUST2023 ICH	PARAUGUST2023 ICPARAUGUST2023 IC PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023	
Particul	arT2023 ICPARAUGUST2023 IC	FRW (000)	AParticulars ICPARAUGUST2023 IC	FRW (000)	
3 ICPARAU	GUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICH	Balance Brought forward	PARAUGUST2023108	
3 ICPARAU 3 ICPARAU	GUST2023 ICPARAUGUST2023 IC GUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICH PARAUGUST2023 ICH	Omitted bank charges	PARAUGUST2023172	
3 ICPARAUO 3 ICPARAUO	GUST2023 ICPARAUGUST2023 IC GUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICF PARAUGUST2023 ICF	Error made (Sundries)	PARAUGUST2023 188/ PARAUGUST2023 ICP/	
3 ICPARAU	GUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICH	Dishonoured cheque ST202310	PARAUGUST2023160	
3 ICPARAU	GUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICH	Standing order-Rates	PARAUGUST202300	
Dividen	ds received RAUGUST2023 IC GUST2023 ICPARAUGUST2023 IC	PARAUGUST20 <b>P24</b> CI PARAUGUST2023 ICH	Error correction-Stationery	PARAUGUST2023 IC2/ PARAUGUST2023 ICP/	
3 ICPARAUO	GUST2023 ICPARAUGUST2023 IC GUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICI PARAUGUST2023 ICI	Error of opening balance 2310 ARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023100/ PARAUGUST2023 ICPA	
book ba	c/d (Updated cash	PARAUGUST <b>1,906</b> PARAUGUST2023 ICE	ARAUGUST2023 ICPARAUGUST2023 IC ARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICP/ PARAUGUST2023 ICP/	
Total	GUST2023 ICPARAUGUST2023 IC	PARAUGUST20231CF	ARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023120	
3 ICPARAUO 3 ICPARAUO	GUST2023 ICPARAUGUST2023 IC GUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICF PARAUGUST2023 ICF	PARAUGUST2023 ICPARAUGUST2023 IC PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICP/ PARAUGUST2023 ICP/	
i) Bank	reconciliation statement	of QLC as at 3	<b>30 September 2021</b>	PARAUGUST2023 ICP/	
3 ICPARAU	us <b>Particular</b> ugust202310	PARAUGUST2023 ICH	PARAUGUST2023 ICPARAUGUST2023 IC	PA <b>FRW (000)</b> PA	
3 ICPARAUG	Balance as per update	11111000012020101	PARAUGUST2023 ICPARAUGUST2023 IC PARAUGUST2023 ICPARAUGUST2023 IC	PARAUG (1,906) CP	
3AddRau 3 ICPARAU	Unpresented cheques	PARAUGUST2023 ICI	PARAUGUST2023 ICPARAUGUST2023 IC PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICP/ PARAUGUST2023 ICP/	
3 ICPARAU	Cheque to IYAMARE	<b>KE</b> AUGUST2023 ICH PARAUGUST2023 ICH	PARAUGUST2023 ICPARAUGUST2023 IC PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2334CP	
3 ICPARAU	SUST2023 ICPARAUGUST2023 IC SUSErrors made by the ba	PARAUGUST2023 ICH	PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICPA	
3 ICPARAU	Credit by error	PARAUGUST2023 ICI	PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2968	
3 ICPARAU	HUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICF	PARAUGUST2023 ICPARAUGUST2023 IC PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICPA	
Less	Uncredited cheques	PARAUGUST2023 ICH PARAUGUST2023 ICH	PARAUGUST2023 ICPARAUGUST2023 IC PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICPA PARAUGUST2023 ICPA	
3 ICPARAU 3 ICPARAU	Cheque from AYUBU	PARAUGUST2023 ICF PARAUGUST2023 ICF	PARAUGUST2023 ICPARAUGUST2023 IC PARAUGUST2023 ICPARAUGUST2023 IC	PARAUG (1,524) CP/	
LessRAU	Errors made by bank	PARAUGUST2023 ICH PARAUGUST2023 ICH	PARAUGUST2023 ICPARAUGUST2023 IC PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICPA	
3 ICPARAU	Cheque-MBARAGA	PARAUGUST2023 ICI	PARAUGUST2023 ICPARAUGUST2023 IC	$\frac{(425)}{(1.252)}$	
Alternati	Balance as per bank	PARALICESTODOSICE	r the bank statement we have	PARAUG <b>(1,353)</b> ICP/ PARAUGUST20231CP/	
3 ICPARAU	JUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICH	PARAUGUST2023 ICPARAUGUST2023 IC	FRW (000)	
3 ICPARAUO 3 ICPARAUO	Balance as per bank	PARAUGUST2023 ICI RARAUGUST2023 ICI	'ARAUGUST2023 ICPARAUGUST2023 IC PARAUGUST2023 ICPARAUGUST2023 IC	PARAUG (1,353)	
3 ICPARAU	Uncredited cheques	PARAUGUST2023 ICH PARAUGUST2023 ICH	PARAUGUST2023 ICPARAUGUST2023 IC PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICP/	
3 ICPARAU	JUST2023 ICPARAUGUS F2023 IC	PARAUGUST2023 ICH	PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICPA	
3 ICPARAU	Cheque from AYUBU Errors made by bank	PARAUGUST2023 ICH	PARAUGUST2023 ICPARAUGUST2023 IC PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICPA	
3 ICPARAU	SUSTODOS ICPARALICUSTODOS IC	PARAUGUST2023 ICH PARAUGUST2023 ICH PARAUGUST2023 ICH	PARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST20023 ICPARAUGUST2003 ICPARAUGUST20023 ICPARAUGUST20023 ICPARAUGUST2003 ICPARAUGUST2003 ICPARAUGUST2005 ICPARAUGUST2005 ICPARAUGUST2005 ICPARAUGUST2005 ICPARAUGUST20	PARAUGUST2023 ICP/	
3 ICPARAU	Cheque-SIMBIMENY	PERIODET2023 ICF PARAUGUST2023 ICF	ARAUGUST2023 ICPARAUGUST2023 IC ARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2 <b>442</b> ICPA PARAUGUST2023 ICPA	
3 ICPARAU	Unpresented cheques	PARAUGUST2023 ICF	PARAUGUST2023 ICPARAUGUST2023 IC PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICP/ PARAUGUST2024NICP/	
3 ICPARAU	Cheque to IYAMARE	r AIXAOGO512025161	PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2022 ICP	
	Errors made by the	PARAUGUST2023 ICH	PARAUGUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICP/	
Less	<sup>3US</sup> Credit by error <sup>3T2023</sup> IC	FARAUGUST2023 ICH	-ARAUGUS 12023 ICPARAUGUS T2023 IC	PARAUG <b>(1,968)</b> CP/	
3 ICPARAUG 3 ICPARAUG 3 ICPARAUG 3 ICPARAUG	GUST2023 ICPARAUGUST2023 IC	PARAUGUST2023 ICI	11110000120201011111000001202010	14 000	
3 ICPARAUG 3 ICPARAUG 3 ICPARAUG 3 ICPARAUG 3 ICPARAUG 3 ICPARAUG	Balance as per revise	PARAUGUST2023 ICF d cashbook 3 ICF PARAUGUST2023 ICF	PARAUGUST2023 ICPARAUGUST2023 IC PARAUGUST2023 ICPARAUGUST2023 IC	PARAUG (1,906) CPA PARAUGUST2023 ICPA	

#### JST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUS JST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUS JST2020 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUS JST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUS JST2023 ICPARAUGUST2023 ICPARAUGUS

i) Opening Statement of Financial Position a reparaugust 2023 reparaugust 202	acparau Marks
CPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202 Fixtures; ust2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202	3ICPARAUGUST2023 3ICPARAUGUST2023
Incertory International Contraction of the International Contractional Contraction of the International Contractional Contractiona Contractional Contractional C	3 ICPARAUGUST2
Accounts receivable	3 ICPARAUGUST2 0.3
Bank August 2023 ICPARAUGUST 202	3 ICPARAUGUST 2023
CICPARAUGUS 12023 ICPARAUGUS 12023 ICPARAUGUS 12023 ICPARAUGUS 12023 ICPARAUGUS 12023 ICPARAUGUS 1202 CashAUGUS 12023 ICPARAUGUS 1202	3 ICPARAUGUST2023
Accounts payable paraugust2023 iCParaugust2023 iCParaugust203 iCParaugust203 iCParaugust203 iCParaugust2023 iCParaugust2023 iCParaugust2023 iCParaugust2023 iCParaugust2023 iCParaugust2023 iCPara	3 icparaugust2023 3 icparaugust2 $0.5$
Capital (balancing), raugust2023 icparaugust2023 icparaugust2023 icparaugust2023 icparaugust2023 icparaugust202	<del>3 ICPARAUGUST2023</del> 3 ICPARAUGUST2023
NCPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202 Net Assets/12023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202	3ICPARAUGUST2023 3ICPARAUGUST2023
NCPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202 Marks Igust2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202	3 ICPARAUGUST2023 3 ICPARAUGUST2023
ii) Trial balance for the year ended 31 December 2021	3 ICPARAUGUST2023
Revenue (including workings)	3 ICPARAUGUST2023
Opening stock 3 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023	3ICPARAUGUST2023
Purchases (Including workings) CPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202	3 ICPARAUGUST2023 3 ICPARAUGUST2023
Rent expense (Including workings) RAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202	3 ICPARAUGUST2023
Depreciation expense ugust2023 iCPARAUGUST2023 iCPARAUGUST203	3ICPARAUGUST2023 3ICPARAUGUST2023
General expenses paraugust2023 icparaugust2023 icparaugust203 icparaugust203 icparaugust2023 icparaugust203 icparaugust2023 icparaugust2023 icparaugust2023 icparaugust2023 icparaugust203 icparaugust203 icparaugust203 icparaugust203 icparaugust203 icparaugust203 icparaugust203 icparaugust203 icparaugust20	$\frac{31CPARAUGUST2023}{31CPARAUGUST2023}$
CCPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202 F1xturesgust2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202	3ICPARAUGUST2023
3 CPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202 Accumulated deprectation 12023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202	3ICPARAUGUST2023 3ICPARAUGUST2023
Accounts receivable	3 ICPARAUGUST2023
Bank AUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023	3 ICPARAUGUST2023 3 ICPARAUGUST2023
Cash <sup>a</sup> AUGUST2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST20	3ICPARAUGUST2023
CICHARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023	3ICPARAUGUST2023 3ICPARAUGUST2 $0.5$
DIGHARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202 Drawings ST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202	3ICPARAUGUST2023 3 ICPARAUGUST2 $0.5$
Accounts Payable paraugust2023 icparaugust2023 icp	3ICPARAUGUST2023 3ICPARAUGUST2023
$\operatorname{Rent}_{\operatorname{owing}}$ 2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST2	JICPARAUGUST2023 3ICPARAUGUST2023
Bank loan 372023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202	3ICPARAUGUST2023
3 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUG	3 ICPARAUGUST2023
Total Marks 22 ICPARAUGUST 2023 ICPARAUGUST 2033 ICPARAUGUST 2033 ICPARAUGUST 2033 ICPARAUG	3 ICPARAUGUST2023

PARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023

#### 20 Model Answers ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023

# i) Mr. Kabaye Statement of Financial Position as at 01 January 2021 states and stat

Particulars 2023 ICPARAUGUST 2023 ICPARAUGUST 2023 ICPARAUG	$GUST2023$ ICPARAUGUST2023 ICPA $\mathbf{FRW}$ (000)
Non-Current Assets/ugust2023/cparaugust2023/cparaugust2023/cparaug	GUST2023 ICPARAUGUST2023 ICPARAUGUST2023 GUST2023 ICPARAUGUST2023 ICPARAUGUST2023
Fixtures and fittings august2023 iCPARAUGUST2023 iCPARAUG	GUST2023 IC PARAUGUST2023 IC PARAUGU <b>33,000</b> GUST2023 IC PARAUGUST2023 IC PARAUGU <b>33,000</b>
Total Non-current assets 1572023 (CPARAUGUST2023 (CPARAUGUST20) (CPARAUGUST2023 (CPARAUGUST20) (CPARAUGUST2023 (CPARAUGUST2023 (CPARAUGUST2023 (CPARAUGUST2023 (CPARAUGUST2023 (CPARAUGUST2023 (CPARAUGUST2023 (CPARAUGUST2023 (CPARAUGUST2023	GUST2023 ICPARAUGUST2023 ICPARAUGUS <b>3,000</b> GUST2023 ICPARAUGUST2023 ICPARAUGUS <b>3,000</b>
Current Assets in parallel is 12023 (CPARAUGUST 2023) (CPARAUG	GUST2023 ICPARAUGUST2023 ICPARAUGUST2023
Inventory ST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG	GUST2023 ICPARAUGUST2023 ICPARAUGI <b>63,600</b>
Accounts receivable AUGUST2023 ICPARAUGUST2023 ICPARAUG	GUST2023 ICPARAUGUST2023 ICPARAUGU <b>55,000</b>
Bank AUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG Bank	GUST2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUS
$\mathbf{Cash}$ august2023 iCparaugust2023 iCparaugu	GUST2023 ICPARAUGUST2023 ICPARAUGUS <b>3,200</b> GUST2023 ICPARAUGUST2023 ICPARAUGUS <b>3,200</b>
Total Current Assets igust2023 iCparaugust2023 iCparau	GUST2023 ICPARAUGUST2023 ICPARAUCI <b>78,300</b> GUST2023 ICPARAUGUST2023 ICPARAUCI <b>78,300</b>
Total Asset 2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG	3UST2023 IC PARAUGUST2023 ICPARAU <b>211,300</b> 3UST2023 ICPARAUGUST2023 ICPARAUCUST2023
Current Liabilities	GUST2023 ICPARAUGUST2023 ICPARAUGUST2023
Accounts Payable PARAUGUST 2023 ICPARAUGUST 2023 ICPARAUG	GUST2023 ICPARAUGUST2023 ICPARAUGU <b>16,000</b>
Financed by:23 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAU	GUST2023 ICPARAUGUST2023 ICPARAUGUST2023 GUST2023 ICPARAUGUST2023 ICPARAUGUST2023
Capital (Balancing figure) T2023 ICPARAUGUST2023 ICPARAUG	GUST2023 IC PARAUGUST2023 IC PARAUCI 95,300
<b>Total equity and liability</b> 12023 ICPARAUGUST 2023 ICPARAUG	3UST20231CPARAUGUST20231CPARAUCTS2310 3UST20231CPARAUGUST20231CPARAUC <b>211,300</b>

#### ii) Mr. Kabaye Trial balance for the year ended 31 December 2021

3 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG 3 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG	Debit ICPARAUGUST20	Credit GUST2023 I
3 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG	UST2023 ICPARAI <b>FRW</b> O	23 ICPARAUGU <b>FRW</b> I
Account receivable (W1) ST2023 ICPARAUGUST2023 ICPARAUG	UST2023 ICPAR 66,000	23 ICPARAUGUST2023 IC
Cash (W2) 12023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG	UST2023 ICPARA(4,200)	23 ICPARAUGUST2023
Bank (W3) 12023 ICPARAUGUST 2023 ICPARAUGUST 2023 ICPARAUG	UST2023 ICPAI179,400	23 ICPARAUGUST2023 IC 23 ICPARAUGUST2023 IC
Account payable (W4) GUST2023 ICPARAUGUST2023 ICPARAUG	UST2023 ICPARAUGUST20 UST2023 ICPARAUGUST20	23 ICPARAUG <b>26,000</b>
Rent (W5) 12023 ICPARAUGUST 2023 ICPARAUGUST 2023 ICPARAUG	UST2023 ICPARA 3,542	23 ICPARAUGUST2023 IO 23 ICPARAUGUST2023 IO
CPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG Revenue ust2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG	UST2023 ICPARAUGUST20 UST2023 ICPARAUGUST20	23 ICPARAUG 25,484
Opening stock 3 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG	UST2023 ICPAR 63,600	23 ICPARAUGUST2023 I 23 ICPARAUGUST2023 I
Purchase ust2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG	UST2023 ICPAR 10,316	23 ICPARAUGUST2023 I
Closing stock 23 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG	UST2023 ICPARAUGUST20	23 ICPARAUGUST2023 ICPARAUGUST2003 ICPARAUGUST2003 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2003
Depreciation 023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG	UST2023 ICPARA 8,250	23 ICPARAUGUST 2023 I
Accumulated depreciation T2023 ICPARAUGUST2023 ICPARAUG	UST2023 ICPARAUGUST20 UST2023 ICPARAUGUST20	23 ICPARAUGUS <b>8,250</b>
General expense cparaugust2023 icparaugust2023 icparaugust2023 icparaug	UST2023 ICPARAUGUST20 UST2023 ICPARAUGU $31$	<del>23 ICPARAUGUST2023 I</del> 23 ICPARAUGUST2023 I
H <del>CPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG</del> Fixtures;ust2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG	UST2023 ICPARA 33,000 (	23 ICPARAUGUST2023 IC 23 ICPARAUGUST2023 IC
3 ICPARADGUST 2023 ICPARAUGUST 2023 ICPARAUGUST 2023 ICPARAUG Capital igust 2023 ICPARAUGUST 2023 ICPARAUGUST 2023 ICPARAUG	UST2023 ICPARAUGUST20 UST2023 ICPARAUGUST20	231CPARAU 195,300
Drawing ust2023 iCPARAUGUST2023 iCPARAUGUST2023 iCPARAUG Drawing ust2023 iCPARAUGUST2023 iCPARAUGUST2023 iCPARAUG	UST2023 ICPARA 13,000	23 ICPARAUGUST2023 IO 23 ICPARAUGUST2023 IO
Bank loan st2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUG	UST2023 ICPARAUGUST20 UST2023 ICPARAUGUST20	23 ICPARAU 122,805
Rent payable	UST2023 ICPARAUGUST20	23 ICPARAUGU 3,500
TOTAL UGUST 2023 ICPARAUGUST 2023 ICPARAUGUST 2023 ICPARAUG TOTAL UGUST 2023 ICPARAUGUST 2023 ICPARAUGUST 2023 ICPARAUG	381,339	381,339

UST2027 ICPARAUGUST2023 ICPARA

Working 1

23 ICPARAUGUST2023 ICPARAU	GUST2023 ICPARADGO	count receivable 12023 iCPARAUGUST 2023 iCPARAUGUST 2023 i Bount receivable 12023 iCPARAUGUST 2023 iCPARAUGUST 2023 i
23 ICPARAUGUST2023 ICPARAU 23 CPARAUGUST2023 ICPARAU	GUST2023 ICPARAUGU GUST2023 ICPARAUGU	ST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 I ST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2021
Opening balance	55,000	SBank ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2480
3 ICPARAUGUST2023 ICPARAU	GUST2023 ICPARAUGU	Cash ICPARAUGUST2023 ICF ARAUGUST2023 ICPARAUGI 14,004
Sales (balance) ICPARAU	GUST2023125,484	ST2023 ICPARAUGUST2023 ICFARAUGUST2023 ICPARAUGUST2023 I
3 ICPARAUGUST2023 ICPARAU 23 ICPARAUGUST2023 ICPARAU	GUST2023 ICPARAUGU GUST2023 ICPARAUGU	Bal c/dparaugust2023 ICF ARAUGUST2023 ICPARAUGI66,000
3 ICPARAUGUST2023 ICPARAU 23 ICPARAUGUST2023 ICPARAU	80,484	ST2023 ICPARAUGUST2023 ICPARAUGUST

## JGUST2033 ICPARAUGUST2023 ICPARAUG

23 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202 23 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2	3 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 IQPAR <b>ASh</b> 'araugust2023 ICPARAUgUST2023 ICPARAUgust2023 IQPAR
ZECPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202	3 TCPARAUGUST 2023 ICPARAUGUST 2023 ICPARAUGUST 2023 ICPAR
Opening balance 3,200	2 ICPARAUGUS 12023 ICPARAUGUS 12023 ICPARAUGUS 12024 IQPAR 3 ICPARAUGUS 12023 ICPARAUGUS 12023 ICPARAUGUS 12023 IQPAR 4 ICPARAUGUS 12023 ICPARAUGUS 12023 ICPARAUGUS 12023 IQPAR
Debtors UST2023 ICPARAUGUS 2023 ICPARAU14,004	Rent UGUST2023 ICPARAUGUST 023 ICPARAUGUST2024 ICPARAUGUST2022 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023
23 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202	IDrawingST2023 ICPARAUGUST2023 ICPARAUGU
23 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202 23 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST202	Blc/d gust2023 icparaugust 023 icparaugu $4,200$ dat
23 ICPARAUGUST 2023 ICPARAUGUS 2023 ICPARA <b>17,204.0</b> 23 ICPARAUGUST 2023 ICPARAUGUS 2023 ICPARA <b>17,204.0</b>	ICPARAUGUST2023 ICPARAUGUST 023 ICPARAU17,204.01
WGPARALG ST2023 ICPARAUGUST2023 ICPARAUGUST202	3 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPAR

#### Working 3

Dr <sup>3</sup> ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023	ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2( $\mathbb{Cr}$
Bal/b/d gust2023 ICPARAUGUS 2023 ICPARAU56,500	Suppliers 12023 ICPARAUGUST 1023 ICPARAUGUST 316
Debtors GUST2023 ICPARAUGUS 2023 ICPARAUGUS 480	Rent ugust2023 ICPARAUGUST2023 ICPARAUGUST2038
LCPARAUGUST2023 ICPARAUGUS 2023 ICPARA 122 805-	general expense paraugust 023 icparaugust 031
3 ICPARAUGUST2023 ICPARAUGUS 12023 ICPARAUGUST2023	Bal c/d UST2023 ICPARAUGUST: 023 ICPARAU 179,400
3 ICPARAUGUST2023 ICPARAUGUST2023 ICPARA $179$ ,785	ICPARAUGUST2023 ICPARAUGUST 023 ICPARAU(179,785)

3 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023	PAYADIE UST2023 ICPARAUGUST PAYADIE UST2023 ICPARAUGUST ICPARAUGUST2023 ICPARAUGUST	2023 ICPARAUGUST2023 IC 2023 ICPARAUGUST20Cri	PARAUGUST2023 PARAUGUST2023
3 ICPARAUGUST 2023 ICPARAUGUS 2023 ICPARAUGUST 2023	Opening balance ARAUGUST	023 ICPARAUGU <b>16,000</b>	PARAUGUST2023
Payment ST2023 CPARAUGUS 2023 CPARAUGU 316	ICPARAUGUST2023 ICPARAUGUST2 ICPARAUGUST2023 ICPARAUGUST2	023 ICPARAUGUST2023 IC 023 ICPARAUGUST2023 IC	PARAUGUST2023 PARAUGUST2023
3 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 3 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023	Purchase ST2023 ICPARAUGUST	1023 ICPARAUG 10,316	PARAUGUST2023 PARAUGUST2023
Bal c/d GUST2023 ICPARAUGUS 2023 ICPARAU 26,000	ICPARAUGUST2023 ICPARAUGUST2 ICPARAUGUST2023 ICPARAUGUST2	023 ICPARAUGUST2023 IC 023 ICPARAUGUST2023 IC	PARAUGUST2023 PARAUGUST2023
3 ICPARAUGUST2023 ICPARAUGUS ICPARAU $26,316$	ICPARAUGUST2023 ICPARAUGUST2	1023 ICPARAUGI 26,316	PARAUGUST2023

23 ICPARAUGUST2023 ICPARAUGUS	12023 ICPARAUGUS12023	GICPARAUGUSI 2023 ICPARAUGUSI	2023 ICPARAUGUSI 2023 ICI
23 ICPARAUGUST2023 ICPARAUGUS	T2023 ICPARAUGUST2	ICPARAUGUST2023 ICPARAUGUST	2023 ICPARAUGUST2023 ICI
23 ICPARAUGUST2023 ICPARAUGUS	T2023 ICPARAUGUST2023	en araugust2023 icparaugust	2023 ICPARAUGUST2023 ICH
Bank Bank Bank August 2023 ICPARAUGUS	T2023 ICPARAUGUST $38$ . T2023 ICPARAUGUST $38$ .	IPARAUGUST2023 ICPARAUGUST ICPARAUGUST2023 ICPARAUGUST	2023 ICPARAUGUS $3542$
Cash August2023 ICPARAUGUS	T2023 ICPARAUGUST2023	ICPARAUGUST2023 ICPARAUGUST	2023 ICPARAUGUST2023 ICI 2023 ICPARAUGUST2023 ICI
Bal^c/d/gust2023 icparaugus	12023 ICPARAUG <b>3,500</b> .3	ICPARAUGUST2023 ICPARAUGUST	2023 ICPARAUGUST2023 ICI
23 ICPARAUGUST2023 ICPARAUGUS 23 ICPARAUGUST2023 ICPARAUGUS	12023 ICPARAUGUST 2023	ICPARAUGUST2023 ICPARAUGUST ICPARAUGUST2023 ICPARAUGUST	2023 ICPARAUGUS <b>3,542</b> IC
00100404110110000000100404110110	TOADD TOBAD ATTOTIC/POAD?		0000 ICBADALICUIC/20000 ICI

FUS 120 F1 3 AKAUGUS 12023 ICPARAUGUS 1202 Page 15 of 19

### **QUESTION FIVE**

#### **Marking Guide** a) Benefits of adopting IPSAS Marks Award 1 marks for a well explained point, maximum 5 marks 5 b) Differentiate Capital from revenue expenditure Definition of Capital expenditure 31 Examples of Capital expenditure PARAUGUS 31 Definition of Revenue expenditure RAUGUST2023 ICPARAL 231 Examples of Revenue expenditure c) i) Statement of financial performance Revenues 0.5 Staff costs 231 Insurance 231 General expenses 0.5 Bank interest charges 0.5 Loan interest paid 0.5 Provision for bad debts 1231 Depreciation Expenses 1 c) ii) Statement of Financial position Building-Cost 0.5 Accumulated Depreciation 0.5 Equipment-Cost CPARAUGUST2023 ICP/ 0.5 Accumulated Depreciation 2023 0.5 0.5 Investment Property Bank AUGUST 2023 ICF DNA Accounts receivable 0.5 0.5 Accumulated surplus opening 0.5 Surplus for the period General reserves DNA DNA 5% Long term Loan Accounts Payable ARA UST20.5 Accrual-Staff Costs ST20.5 Total Marks 20

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#### **Model Answers**

a) **Benefits of adopting IPSAS in Africa**" This is the article published in the journal "The new Times" published on 21 March 2021. Basically, it was linking the adoption of IPSAS and the economic growth in Africa. **Below are benefits of IPSAS adoption in Rwanda** 

- 1. IPSAS help to build a financial reporting system supported by strong governance, high quality standards, and sound regulatory frameworks which is the key to economic growth development.
- 2. IPSAS will help Rwanda to achieve a high-quality reporting standard which greatly increase the confidence of investors and the general public in financial and non-financial information thereby contributing to a country's economic growth and financial stability.
- 3. For public sector entities in Rwanda, adoption of accounting standards such as IPSASs would lead to high quality financial reporting which would enable better decision making. In particular, governments would be able to make better informed decisions on resource allocation thereby increasing transparency and accountability.
- 4. Apart from the government, there are several other users of financial statements prepared by public entities. These users include taxpayers, members of the legislature, creditors, suppliers, the media, and employees. Specifically, tax payers are the main shareholders of the country and it is only fair that the government accurately and transparently accounts for the funds contributed by tax payers and other resources entrusted to the government. This will be achieved mainly by applying IPSAS appropriately.
- 5. IPSAS is essential for planning and budgeting as this financial information can be used to predict the future resources required by the government and determine the future direction of the government.
- 5. IPSASs will enable comprehensive financial reporting that provides relevant information for economic analysis, decision-taking and policy making. With all these benefits of adopting IPSASs, there should be a stampede towards adoption of these standards by public sector entities across Rwanda.

#### b) Differentiate capital from revenue expenditure

**Capital expenditures:** Those are funds used by an entity to acquire, upgrade, and maintain physical non-current assets such as equipment, machineries, plant etc.....

These costs are typically one-time large purchases of fixed assets that will be used for revenue generation over a longer period usually more than a year. Example: Acquisition of building, Machinery

Whereas, **revenue expenditures** are the ongoing operating expenses, which are short-term expenses used to run the daily business operations like communication, repair, transport, salaries, mission allowances etc...

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IST20 C) ICPARAUGUST2023 ICPAR

Particulars <sup>2023</sup> ICPARAUGUS12023 ICPARAUGUS1 Particulars <sup>2023</sup> ICPARAUGUST2023 ICPARAUGUST	2023 ICPARAUGUST 2023 ICP	ARAUGUST2023 ICPA $FRW$ (000)
${ m Revenues}$ st2023 icparaugust2023 icparaugust	2023 ICPARAUGUST2023 ICP 2023 ICPARAUGUST2023 ICP	10,730 araugust2023 icparaugust2023
2 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST Expenses st2023 ICPARAUGUST2023 ICPARAUGUST	2023 ICPARAUGUST2023 ICP 2023 ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2023 I ARAUGUST2023 ICPARAUGUST2023 I
Staff costs T2023 ICPARAUGUST2023 ICPARAUGUST	$2023$ ICPARAUGUST2023 I $2^{\mathrm{P}}$	ARAUGUST2023 ICPARAUGUST2023
Insurance ST2023 ICPARAUGUST2023 ICPARAUGUST	1023 ICPARAUGUST 2023 ICP	ARAUGUST2023 ICPARAUGUST2570
General expenses PARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST2023 ICP 2023 ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST2
Bank interest charges ugust 2023 icparaugust	2023 ICPARAUGUST2023 ICP 2023 ICPARAUGUST2023 ICP	araugust2023 icparaugust2023 i Araugust2023 icparaugust20 $30$
Loan interest paid ARAUGUST2023 ICPARAUGUST	2023 ICPARAUGUST2023 ICP 2023 ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2023 ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST20 $40$
Provision for bad debts	2023 ICPARAUGUST2023 ICP 2023 ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2023 ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST20 $50$
Depreciation Expenses	2023 ICPARAUGUST2023 IGP	ARAUGUST2023 ICPARAUGUST2023
Total Expenses	2023 ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2023
Surplus of the period GUST2023 ICPARAUGUST	2023 ICPARAUGUST2023 ICP 2023 ICPARAUGUST2023 ICP 2023 ICPARAUGUST2023 ICP	ARAUGUS 12023 ICPARAUGUS 12023 ARAUGUS 12023 ICPARAUGUS 12023 ARAUGUS 12023 ICPARAUGUS $2,728$

ii) Ministry of Growth statement of financial position for the period ended 31December 2021

Particulars 2023 ICPARAUGUST2023	ICPARAUGUSTNotesP.	ARAUGUST2023 ICPARAUGUST2	2023 ICPA <b>FRW (000)</b>
Non-Current Assets UGUST2023	ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST2023
Building-cost 23 ICPARAUGUST 2023	ICPARAUGUST2023 ICP.	ARAUGUST2023 IC <b>37,000</b> ST2	2023 ICPARAUGUST2023 2023 ICPARAUGUST2023
Accumulated depreciation T2023	12,600+822	raugust2023 (13,422) st2	2023 ICPARAUGUST2023 2023 ICPARAUGUST2023
3 ICPARAUGUST2023 ICPARAUGUST2023 3 ICPARAUGUST2023 ICPARAUGUST2023	ICPARAUGUST2023 ICP. ICPARAUGUST2023 ICP.	ARAUGUST2023 ICPARAUGUST2 ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUG 23,578
Equipment-cost CPARAUGUST2023	ICPARAUGUST2023 ICP	ARAUGUST2023 ICP/8,300	2023 ICPARAUGUST2023
Accumulated depreciation	3,180 + 1,280	ARAUGUST20231C(4,460)	2023 ICPARAUGUST2023
3 ICPARAUGUST2023 ICPARAUGUST2023 3 ICPARAUGUST2023 ICPARAUGUST2023	ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2 ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST 2023
Investment property AUGUST2023	ICPARAUGUST2023 ICP. ICPARAUGUST2023 ICP.	ARAUGUST2023 ICPARAUGUST2 ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST2023 2023 ICPARAUGUS $1,840$
Total non-current assets T2023	ICPARAUGUST2023 ICP. ICPARAUGUST2023 ICP.	ARAUGUST2023 ICPARAUGUST2 ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGI <b>29,258</b>
Current assets icparaugust 2023	ICPARAUGUST2023 ICP. ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2 ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST2023 2023 ICPARAUGUST2023
Bank AUGUST2023 ICPARAUGUST2023	ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST 2240
Accounts receivable	ICPARAUGUST2023 I6P	ARAUGUST2023 ICPARAUGUST2	2023  ICPARAUGUST 220
Total current assets	ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2 ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST 2023
Total assets <sup>2023</sup> ICPARAUGUST2023	ICPARAUGUST2023 ICP ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST2022
Equity and liabilities JGUST2023	ICPARAUGUST2023 ICP. ICPARAUGUST2023 ICP.	ARAUGUST2023 ICPARAUGUST2 ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST2023 2023 ICPARAUGUST2023
3 ICPARAUGUST2023 ICPARAUGUST2023 Equity Igust2023 ICPARAUGUST2023	ICPARAUGUST2023 ICP. ICPARAUGUST2023 ICP.	ARAUGUST2023 ICPARAUGUST2 ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST2023 2023 ICPARAUGUST2023
Accumulated surplus opening	ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2 ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGU24,170
Surplus for the period	ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2	2,728 2,728
General reserves	ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST 202
Total Equity <sup>23</sup> ICPARAUGUST2023	ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2 ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST <b>27,098</b>
Liabilities T2023 ICPARAUGUST2023	ICPARAUGUST2023 ICP ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2 ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST2023 2023 ICPARAUGUST2023
Non-current liabilities UST2023	ICPARAUGUST2023 ICP. ICPARAUGUST2023 ICP.	ARAUGUST2023 ICPARAUGUST2 ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST2023 2023 ICPARAUGUST2023
5% Long term loan RAUGUST2023	ICPARAUGUST2023 ICP. ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2 ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST 200
Total non-current liabilities	ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST <b>800</b>
Current Liabilities	ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST 2023 2023 ICPARAUGUST 2023
Accounts payable	ICPARAUGUST2023 ICP ICPARAUGUST2023 ICP	ARAUGUST2023 ICPARAUGUST2 ARAUGUST2023 ICPARAUGUST2	2023 ICPARAUGUST2023 2023 ICPARAUGUS <b>1,2780</b>

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UGUST20231.3

Particulars 2023 ICPARAUGUST2023 IC	CPARAUGUSTNOTESP	ARAUGUST2023 ICPARAUGUS	T2023 ICPA <b>FRW (000)</b>
Accrual-staff costs ARAUGUST2023	CPARAUGUST2023 I $2$ PARAUGUST2023 I $2$ PARAUGUST2	RAUGUST2023 ICPARAUGUS	ST2023 ICPARAUGUST20 $40$
Total current liability GUST2023 I	CPARAUGUST2023 ICP/	RAUGUST2023 ICPARAUGUS	512023 ICPARAUGUS 1,820
23 Total liabilities CPARAUGUST 2023 10	CPARAUGUST2023 ICP/ CPARAUGUST2023 ICP/	IRAUGUS 12023 ICPARAUGUS NRAUGUS 12023 ICPARAUGUS	5T2023 ICPARAUGUS 2,620
Total Equity+ Liabilities	CPARAUGUST2023 ICPA CPARAUGUST2023 ICPA	ARAUGUST2023 ICPARAUGUS ARAUGUST2023 ICPARAUGUS	T2023 ICPARAUG <b>29,718</b>

#### **Workings**

3ICPAR	Revenues PARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGU	UGUST2023 ICPA <b>FRW</b> (000)
3 ICPARI 3 ICPARI	N <b>GUST2023 ICPARAUGUST2023 ICPARAUGUST</b>	UGUST2023 ICPARAUGUST2023 UGUST2023 ICPARAUGUST2020
3 ICPARI 3 ICPARI	<b>Youth development grants</b> araugust 2023 iCPARAUgust 2023 iCPARA	UGUST2023 ICPARAUGUST2023 UGUST2023 ICPARAUGUST2 $440$
B ICPARA B ICPARA	Donations and fundraising incomest 2023 ICPARAUGUST 2023	UGUST2023 ICPARAUGUST2700 UGUST2023 ICPARAUGUST2700
BICPAR	Other revenue	UGUST2023 ICPARAUGUST2350
BICPAR	General grant for operating activities <sup>23 ICPARAUGUST2023 ICP</sup>	UGUST2023 ICPARAUGUS <b>7,040</b>
ICPAR	AUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARA	ugust2023 icparaugu <b>10,730</b>
$2^{CPAR}$	uStaff_Costs <sup>a</sup> raugust2023 iCPARAUgust2023 iCPARAUgust2023 iCPARAUgust2023 iCPARA	UGUST2023 ICPA <b>FRW</b> (000)
3 ICPAR 3 ICPAR	NBalance as per TB st2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPA	UGUST2023 ICPARAUGUST2023
ICPAR	NGUST2025 ICPARAUGUST2025 ICPARAUGUST2025 ICPARAUGUST2025 ICPARAUGUST2025 ICPARAUGUST2023 ICPARAUG	UGUST2023 ICPARAUGUST2023 IUGUST2023 ICPARAUGUST20 $40$
ICPARI ICPARI	AUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARA AUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARA	UGUST2023 ICPARAUGUST2023 UGUST2023 ICPARAUGU <b>3,340</b>
ICPAR	AUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARA AUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARA	UGUST2023 ICPARAUGUST2023 I UGUST2023 ICPARAUGUST2023 I
CPAR	Insurance Expenses 223 ICPARAUGUST2023 ICPARAUGUST	UGUST2023 ICPA <b>FRW (000)</b>
BICPAR	Balance as per TB ST2023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST2003 ICPARAU	UGUST2023 ICPARAUGUST2600
ICPAR	Prepayment ARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARA	UGUST2023 ICPARAUGUST (30)
BICPAR	AUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARA AUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARA	UGUST2023 ICPARAUGUST: <b>570</b> UGUST2023 ICPARAUGUST2023
BICPAR	AUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARA AUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST 2023 ICPARA	UGUST2023 ICPARAUGUST2023 I UGUST2023 ICPARAUGUST2023 I
4CPAR	Depreciation August 2023 ICPARAUGUST 2023 ICPARAUGUST 2023 ICPARA	UGUST2023 ICPA FRW (000)
ICPAR	Building (FRW 37,000/45 years)	UGUST2023 ICPARAUGUST2822 UGUST2023 ICPARAUGUST2822
ICPAR/	Equipment (FRW 8,300- FRW 3,180) *0.25	$\begin{array}{c} \text{UGUST2023ICPARAUGUST2280}\\ \text{UGUST2023ICPARAUGUS12023}\\ \end{array}$
3 ICPAR 3 ICPAR	AUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARA AUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICP	UGUST2023 ICPARAUGUS <b>22102</b> UGUST2023 ICPARAUGUST2023 I
ICP <b>5</b> R	Accumulated Depreciation RAUGUST2023 ICPARAUGUST2023 ICPARAUGUST203	UGUST2023 ICPA FRWS (000)
ICPAR/	Building-Accumulated depreciation as per TB GUST2023 ICP RA	UGUST2023 ICPARAUGU12,600
ICPAR	Depreciation-Building 23 ICPARAUGUST 2023 ICPARAUGUST 2023 ICPARA	UGUST2023 ICPARAUGUST2822
BICPAR	AUGUST2023 ICPARAUGUST2023 ICPARAUGUST	UGUST2023 ICPARAUGU <b>13,422</b>
ICPAR	Equipment- Accumulated depreciation as per TB	UGUST2023 ICPARAUGUS 3,180
ICPAR	Depreciation-Equipment	$\begin{array}{c} \text{UGUST2023ICPARAUGUS1,280}\\ \text{UGUST2023ICPARAUGUS1,2023} \end{array}$
3 ICPAR 3 ICPAR	AUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARA	UGUST2023 ICPARAUGUS <b>4,2460</b> UGUST2023 ICPARAUGUST2023 I
6 CPAR	Accounts receivable 023 ICPARAUGUST2023 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST203 ICPARAUGUST2023 ICPARAUGUST203 ICP	UGUST2023 ICPA <b>(FRW1000)</b> UGUST2023 ICPARAUGUST2023
ICPAR	Balance as per TB ST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARA	UGUST2023 ICPARAUGUST2240
ICPAR	Provision for bad debts 3 ICPARAUGUST 2023 ICPARAUGUST 20	ugust2023 icparaugust (50)
3 ICPAR 3 ICPAR	NGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023 ICPARA P <b>repaid insurance</b> ist2023 iCPARAUGUST2023 ICPARAUGUST2023 ICPARA	$\begin{array}{c} \text{UGUST2023 ICPARAUGUST2023 }\\ \text{UGUST2023 ICPARAUGUST2023 }\\ \end{array}$
3 ICPAR 3 ICPAR		UGUST2023 ICPARAUGUST2220 UGUST2023 ICPARAUGUST2223

## PARAUGUST 2023 CPARAUGUS END OF MARKING GUIDE AND MODEL ANSWERS

PARAUGUST2023 ICPARAUGUST2023 ICPARAUGUST2023