



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

DATE: THURSDAY 30, MAY 2024

INSTRUCTIONS:

- 1. Time allowed: 2 hours and 30 minutes.**
- 2. This examination has one section only: Section A**
- 3. Section A has 50 compulsory multiple-choice questions equal to 2 marks each**
- 4. The question paper should not be taken out of the examination room**

SECTION A

QUESTION ONE

The finance functions within an organization are concerned with providing quality not quantity financial information.

Which one of the following are the qualities of information that finance functions should provide in order to of maximum benefit to the organization?

- A. Complete**
- B. Timely**
- C. Accurate**
- D. All of the above**

(2 Marks)

QUESTION TWO

In order to ensure compliance, the organization has to meet some requirements.

Which of the following is not correct?

The organization should:

- A. Make all employees aware of the importance of compliance**
- B. Brief all employees on their roles and responsibilities under the law**
- C. Put in place checks and controls to monitor and ensure compliance**
- D. Base organizational policies and procedures on compliance requirements**

(2 Marks)

QUESTION THREE

The legal department of your organization is revising a law and requested your inputs on the area of your organizational business.

Which one of the following should be considered?

- A. Intellectual property**
- B. Diversity and equal opportunities**
- C. Working conditions, pay and benefits**
- D. All of the above**

(2 Marks)

QUESTION FOUR

Which of the following statement is not correct?

- A. Organization structure is the shape of an organization, which reflects a number of decisions about how it will function most efficiently
- B. Organization charts are used to illustrate the formal structure of an organization or function
- C. Superiors are accountable to subordinates for the tasks they have been given
- D. A cross functional team is a multidisciplinary team

(2 Marks)

QUESTION FIVE

Often policies and procedures are regarded as routine or even as a nuisance if there are more convenient shortcuts in performing task. However, it is important to adhere to policies and procedures within an organization because they are put in place to:

- 1. Protect finance and property of the organization
- 2. Protect information and other assets of the organization
- 3. Protect people visiting the workplace
- 4. Support efficiency

Which one of the following is correct?

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

(2 Marks)

QUESTION SIX

Personal skills are vital ingredient of success in management and business. These skills are concerned with how people manage and express themselves.

Which one of the following statements are true about personal skills?

- A. Interpersonal skills or soft skills
- B. Interpersonal skills and communication skills
- C. Communication skills and soft skills
- D. Listening skills and communication skills

(2 Marks)

QUESTION SEVEN

Using the pick list below, suggest the most effective medium of communication to be used by the Finance Director of your organization if she/he wants to explain the proposal of new accounting policies to the finance team.

- A. Intranet
- B. Face to face conversation
- C. Notice board
- D. Meeting

(2 Marks)

QUESTION EIGHT

Which one of the following should not be part of your check list when you are planning for message?

- A. Purpose
- B. Structure and style
- C. Audience
- D. Technical terms

(2 Marks)

QUESTION NINE

A successful business is more than just the assets and liabilities shown in its accounts. In several cases the main asset of the business can be its staff, whose effectiveness can depend on their skills leading to good relationships.

Which one of the following is key to create good business relationships with stakeholders?

- A. Team work
- B. Staff behavior and personal qualities
- C. Level of education
- D. All of the above

(2 Marks)

QUESTION 10

You are working in accounting department of Inzozi company and you are requested to review the VAT calculation on invoices submitted by some of the company's suppliers before payment.

How much should be the VAT on a total invoice of 3,363,000 FRW taxes inclusive?

- A. FRW 513,000
- B. FRW 605,340
- C. FRW 605,430
- D. None of the above

(2 Marks)

QUESTION 11

In any organization formal as well as informal reports can be used.

Which one of the following does not relate to formal reports?

- A. Massive, complex and high structured report
- B. Complex, massive, elaborated referencing
- C. Elaborated referencing, structuring and layout
- D. Massive, less complex, high structured report, non-elaborated referencing

(2 Marks)

QUESTION 12

Your organization has requested you to write a letter to Mr. James Amani the Managing Director of Hero company. This company has recently relocated to your country.

Which one of the following greetings will be used in your letter?

- A. Dear James
- B. Mr. James
- C. Dear Sir
- D. None of the above

(2 Marks)

QUESTION 13

You are in accounting department and you have been given a deadline to submit your monthly financial report by 15th of the following month.

Which one of the following will make apparent that you will not be able to meet the set deadline?

- A. You were given a task of preparing the bank reconciliation
- B. You are asked by your supervisor to investigate the unreconciled difference
- C. The colleagues who are providing you with required information failed to do so
- D. All of the above

(2 Marks)

QUESTION 14

In working environment, you will find that people are not working in isolation but as part of a work group or team.

Which one of the following can define a work group or team?

- A. People working closely together
- B. People having a strong sense of shared goals and identity
- C. A small number of people with complementary skills and who are committed to a common purpose, performance goals and approach, for which they hold themselves jointly accountable
- D. All of the above

(2 Marks)

QUESTION 15

In any working relationship or team, there are bound to be conflicts.

Which one of the following is not among the reasons that could be the cause of conflict within a team?

- A. Personality differences
- B. Similar working style
- C. Work interdependency
- D. Hurtful treatment

(2 Marks)

QUESTION 16

You are working for Hope company and you are requested to define your own development objectives in the context of your strengths, weaknesses and career goals.

Which one of the following will qualify your objectives to be smart?

- A. Specific, meaningful, agreed, realistic and time bounded
- B. Specific, measurable, agreed, realistic and time bounded
- C. Special, measurable, agreed, realistic and time bounded
- D. Specific, measurable, agreed, relevant and time bounded

(2 Marks)

QUESTION 17

A common method of training employees is to provide support in the work place. This calls for putting in place specific methods of on the job training within organization like demonstration, instruction, job rotation, etc.

Which one of the following statement is correct?

- A. Instruction refers to show the trainees how to do the job and let them get on with it
- B. Demonstration combines telling the trainees what to do and showing them how, using appropriate media
- C. Trainees imitates the instructor and asks questions
- D. All of the above

(2 Marks)

QUESTION 18

Staff functions exist in an organisation to support the line functions in fulfilling their objectives through providing them with resources, systems, and information they need to perform their activities efficiently and effectively.

Which of the following best describes the staff functions?

- (i) Human Resources functions
- (ii) Administration functions
- (iii) Marketing functions
- (iv) Information Technology functions

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

(2 Marks)

QUESTION 19

An organisation policy describes how it wants and expects the activities to be carried out with an aim of providing strong guidelines for action, decision making and problem solving.

Which of the following statements is not among the examples of an organisation policy?

- A Recruitment and placement of candidates for job in an organisation
- B Altitudes for eliminating discrimination in workplace
- C Recording of payroll details and authorisation of payments
- D Rewards and promotion of an employee within an organisation

(2 Marks)

QUESTION 20

TTB Ltd is a listed company in stock exchange in Rwanda and is required by law to prepare statutory financial statements.

Which of the following statements is not among the reason why the statutory financial statements are prepared for?

- A To be presented to management for measuring the performance of the company
- B To be submitted to relevant authorities such as National Bank of Rwanda
- C To be audited, when necessary
- D To be presented in compliance with specific regulations

(2 Marks)

QUESTION 21

James works in the procurement department of Real Ltd, a constructing company in Nyagatare. He has been asked by his supervisor to submit the estimate of the VAT exclusive price of per kilogram of cement which will be needed in the month of December 2022 for them to start construction of Rwempasha Road that will be used

During the month of November 2022, the company bought 2000 Kilograms of cement for FRW 25,000,000 VAT inclusive. Prices are expected to rise to 10% next month.

Which of the following is the correct estimate?

- A FRW 10,593
- B FRW 11,653
- C FRW 15,244
- D FRW 16,768

(2 Marks)

QUESTION 22

Which of the following laws, regulations and standards are likely to be the most relevant to staff working in the Finance and Accounting Department of Lion Bridges Ltd, a manufacturing clay bricks company in Gicumbi district?

- (i) Financial regulations law
- (ii) Health and safety regulations
- (iii) Pollution emission regulations
- (iv) Law establishing value added tax

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

(2 Marks)

QUESTION 23

James Munyaneza, is an ICPAR member working in an accountancy firm, and the firm has recruited an audit assistant Philip Kaneza. James noticed that Philip frequently uses the colour printer in the office to print their personal item. They do this in normal office working hours.

What is the most appropriate action for James to take in this circumstance?

- A Discuss his behaviours with him and encourage him to change
- B Ignore it, because using photocopying is not causing any one any harm
- C Report Philip to the Managing Director of the accountancy firm for his unethical behaviours
- D Report Philip to HR Partner

(2 Marks)

QUESTION 24

Which form of communication is the most appropriate for sending a bank confirmation letter for confirming the bank balances for audit purposes?

- A Telephone
- B Email
- C Letter
- D None of the above

(2 Marks)

QUESTION 25

Which of the following visual aids would be suited for preparing a planning schedule?

- A Pie Chart
- B Scatter graph
- C Line graph
- D Bar Chart

(2 Marks)

QUESTION 26

Teddy Muneza, a member in practice, joined the TMP Ltd in its accounting department and she found her colleague Diana, but Diana was extremely rude and demanding Teddy to fetch the coffee and clean up the kitchen.

Which of the following would be the best course of action in the first instance?

- A Teddy Muneza to complain to her line manager
- B Discuss her concern with her colleague
- C Do nothing
- D Resign from her job

(2 Marks)

QUESTION 27

When considering a personal development programme for an employee, what would be the first stage?

- A Planning a learning and development programme
- B Establishing learning targets
- C Broadening the employee's knowledge and experience
- D Setting up a competence framework

(2 Marks)

QUESTION 28

Liliane Mutesi, a Senior Accountant at Real Ltd was working on the submission of corporate Income tax return for the year ended 31st December 2020. They noticed that they had incorrectly deducted entertaining expenditure on last year's returns.

Which among the following below actions should Liliane Mutesi pursue?

- A Correct the error on this year's return and do not tell anyone
- B Advise RRA of the error without disclosing it to the Real Ltd
- C Tell CFO of the Real Ltd of the error and recommend the error to be disclosed to RRA for the correction of prior year's tax returns.
- D Be silent and not tell any one of the errors made in prior year tax returns

(2 Marks)

QUESTION 29

Which of the following would be useful for showing or comparing magnitude or sizes of the item?

- A Table
- B Line graph
- C Scatter graph
- D None of the above

(2 Marks)

QUESTION 30

Which one of the following is not a benefit of training and development within an organisation?

- A Improved succession planning
- B Enhance employability of staff members
- C Less need for detailed supervision
- D Increased organisation flexibility

(2 Marks)

QUESTION 31

The Auditor General has presented the audit report for the financial year 2021-2022 to the Parliament. From his report, there is a section at the front of the audit report that allows the readers to quickly become acquainted with the substance of the report without having to read it all.

Which one of the following is being described above?

- A** Conclusions
- B** Recommendations
- C** Executive summary
- D** Appendices

(2 Marks)

QUESTION 32

Many resources are invested in the CPD programs by the Institute of Certified Public Accountant of Rwanda (ICPAR) for the members to uphold code of ethics in the accounting profession in Rwanda

What does the CPD mean?

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

(2 Marks)

QUESTION 33

Ndanga Frank is an accountant at XM Hotel in Kigali and reports to the finance director. He woke up in the morning not feeling well and he wants to request a permission for not reporting to work.

Which the following is not the correct action to be taken by Frank?

- A** To call the finance director and inform him that he is sick
- B** To call the Human Resources Director and inform her that he is sick
- C** To call the Managing Director and inform him that he is sick
- D** All of the above

(2 Marks)

QUESTION 34

In some cases, the matter may be so serious that a more formal approach needs to be adopted to resolve the issues or report certain type of grievance.

To which level the employee should report in the case of bullying by the line manager?

- A Legal Authorities
- B Human Resources Department
- C More senior manager
- D None of the above

(2 Marks)

QUESTION 35

By closely monitoring the cash balances of the business, the accounting function also has a very important role in ensuring the solvency of the organisation: that is, its ability to meet its short-term and long-term debts as they fall due.

Which of the following is not among the information that are provided by an accounting function in ensuring the solvency of the organisation?

- A Debts that are owed to the organization and when they are due to be paid by customers
- B The level of inventory, by ensuring that no more is held than is necessary
- C The availability of cash to cover payables when they fall due
- D None of the above

(2 Marks)

QUESTION 36

James is Payroll and Benefits officer at KPN Ltd, and he is responsible for the preparation of payroll and other benefits to the employees of KPN Ltd. The staff are paid their salaries every 20th of the month. However, recently James prepared and submitted the payroll to his supervisor on the 28th day of the month and his supervisor transmitted the payroll to the Finance Unit of KPN Ltd for payment on the 30th day of the month and thus the staff were paid on 2nd of the following Month. An inquiry was made as to what could have caused the delay in payment of staff salaries and James clarified that he had a heavy workload during that month.

Which of the following best demonstrates consequences to James due to late completion of the tasks?

- A Litigation risk
- B Reputational damages
- C Employment contract termination
- D All of the above

(2 Marks)

QUESTION 37

Liliane is a newly recruited senior accountant at BDO Ltd, a company specialised in advertisement and publications in Rwanda. She found out that all laptops had been fully distributed to all the other staff while she was away. She has since been allocated an old and poor performing desktop by the IT Department.

She was recently asked to complete an urgent and important task, but her desktop was not performing well and hence, she could not finish the task on time.

Which of the following is the most appropriate course of action Liliane should undertake?

- A Resign from her position as Senior Accountant as she fails to perform requested tasks.
- B Seek advice from her colleague, the IT officer whom they are on the same level horizontally.
- C Escalate and report the issue to her immediate supervisor for taking an action
- D Do nothing and wait until they replace her desktop

(2 Marks)

QUESTION 38

Peace is working for G&T Ltd, a company specialised in providing security services in Kigali. The company has not yet collected a debt totalling FRW 200,000,000 from their customers and this has been outstanding for more than a period of 10 years.

Which form of communication is most appropriate to use to communicate to these clients to pay off their bad debts?

- A Telephone calls
- B Physical meetings
- C Email
- D None of the above

(2 Marks)

QUESTION 39

Emmanuel is working at KBG Ltd, a transportation company in Kigali. Due to the recent price changes of fuel in the global market the management made some drastic changes including the stopping of some company vehicles, reduced some staff and even drivers overtime pay reduced by 15%.. The trade union representing the workers of KBG Ltd is threatening to take industrial action because of the decision taken by senior management to make changes to the working practices, working conditions, workers overpay and reduction of staff without consultation.

What type of conflict does this represent?

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

(2 Marks)

QUESTION 40

Conflict is the clash of opposing 'forces' – including the personalities, interests and attitudes of individuals and groups. **Which of the following statements are among the causes and types of conflict in working relationships within an organisation?**

- (i) Differences in personality
- (ii) Differences in status
- (iii) Unfair treatment
- (iv) The interdependency of work

A (i), (ii) and (iii)

B (i), (iii) and (iv)

C (iii) only

D All of the above

(2 Marks)

QUESTION 41

People working together in organization's need to recognize their mutual obligations to each other, and their shared tasks and objectives.

Which of the following are advantages to working as part of a team rather than on an individual basis?

- A. Inspiration
- B. Synergy
- C. Communication
- D. Additional resources

A (i) and (ii) only

B (ii),(iii) and (iv)

C (ii) and (iii) only

D All of the above

(2 Marks)

QUESTION 42

Which one of the following is not among the key parts of an element of effective team work?

- A Co-ordination, collaboration, and communication
- B A mix and balance of people in the team
- C Co-ordination, collaboration, inspiration, and communication
- D Clear shared objectives and performance feedback

(2 Marks)

QUESTION 43

Due to Covid-19 and its impact in the global economy, the Managing Director of Ubumwe Cleaning Company has decided to reduce the salary of staff by 10% of the gross salary. Peter being a Senior Accountant was getting a gross salary of FRW 5,500,000 per month.

Which of the following shows the adjusted gross salary of Peter per month?

- A FRW 6,050,000
- B FRW 550,000
- C FRW 4,950,000
- D FRW 4,590,000

(2 Marks)

QUESTION 44

Vocabulary and style should contribute to the clarity of message in a presentation. It is recommended that short simple sentences are used, and the presenter should avoid certain expressions.

Which among the following expressions should be avoided?

- (i) Jargon
- (ii) Colloquialisms
- (iii) Double meanings

- A (i) and (ii)
- B (ii) and (iii)
- C (i) only
- D All of the above

(2 Marks)

QUESTION 45

It is important to adhere to any agreed working practice, even if it is just 'customary', because other people will be basing their plans and conduct on their expectation that you will do so.

Which among the following ways of adhering to instructions and departmental practices for maintaining communication with your line manager?

- (i) Seeking and receiving feedback on your work performance
- (ii) Reporting by exception
- (iii) Seeking learning and development opportunities in your work

- A (ii) and (iii)
- B (i) and (iii)
- C (i) only
- D All of the above

(2 Marks)

QUESTION 46

Members of professional bodies are required to complete a certain amount of Continuing Professional Development (CPD) as a condition of continuing membership.

Which among the following is (are) part of the reason(s) for members of professional bodies to undertake Continuing Professional Development (CPD)?

- A To protect the interests of their clients and employers
- B To ensure that their knowledge and skills are always up to date and of a good standard.
- C To uphold standing and credibility of the professional bodies and the accounting profession.
- D All of the above

(2 Marks)

QUESTION 47

Dennis is a Finance Manager at AB Ltd and he has been having a challenge of delays in reporting. He recently decided to set a target of reducing the time taken to undertake the monthly preparation of financial reports submitted to the Board of Directors of AB Ltd for approval.

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

- A Specific
- B Measurable
- C Relevant
- D Time bound

(2 Marks)

QUESTION 48

When considering a personal development programme for an employee, what should be the first stage?

- A Planning a learning and development programme
- B Establishing learning targets
- C Broadening the employee's knowledge and experience
- D Setting up a competence framework

(2 Marks)

QUESTION 49

A document describing the roles and responsibilities required by someone undertaking a particular role.

Which of the following is being described above?

- A** Person specification
- B** Personal development plan
- C** Job specification
- D** None of the above

(2 Marks)

QUESTION 50

A letter may be the first contact a person has with your organization, so it needs to make a positive impression.

Which one of the following best demonstrates qualities of a professional image in a business letter?

- (i)** Legibility
 - (ii)** Neatness
 - (iii)** Conciseness
- A** (i) and (ii)
 - B** (iii) only
 - C** Both A and B
 - D** None of the above

(2 Marks)

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