

WASSCE / WAEC MAY / JUNE 2017 BOOK KEEPING PAST QUESTION PAPER
(MULTIPLE CHOICE)

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Good luck!

Note:

- This Book Keeping past question paper is a little bit different from our standard format but we had to get a copy for our audience ASAP.
- Please ignore the markings on the sheet.
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Answer all the questions.

Each question is followed by four options lettered A to D. Find the correct option for each question and shade in pencil on your answer sheet, the answer space which bears the same letter as the option you have chosen. Give only one answer to each question. An example is given below.

When a trial balance totals disagree, the difference is transferred to

- A. real account.
- B. suspense account.
- C. journal entry.
- D. profit and loss account.

The correct answer is suspense account which is lettered B, therefore answer space B would be shaded.

[A]

[C]

[D]

Think carefully before you shade the answer spaces; erase completely any answer(s) you wish to change.

Do all rough work on this question paper.

Now answer the following questions.

1. The agreed mode of payment between a supplier and his customer is specified in the
- A. imprest system.
 - B. source document.
 - C. statement of account.
 - D. terms of payment.

2. The document prepared by the buyer and sent to the seller listing the items to be supplied, the description and quantities is
- A. proforma invoice.
 - B. advice note.
 - C. delivery note.
 - D. purchase order.

3. The monetary value of a fixed asset is recorded in
- A. Nominal Account.
 - B. Real Account.
 - C. Personal Account.
 - D. Control Account.

4. An expenditure made by a business which is expected to yield a future benefit is
- A. liability.
 - B. revenue.
 - C. expense.
 - D. asset.

5. Which of the following concepts shows that a business is a body recognized by law?
- A. Consistency
 - B. Materiality
 - C. Realization
 - D. Entity

6. Returns of goods sold on credit will be posted to
- A. purchases day book.
 - B. returns inwards journal.
 - C. sales day book.
 - D. returns outwards journal.

7. The ledger is used for
- A. single entry bookkeeping.
 - B. double entry bookkeeping.
 - C. recording transactions chronologically.
 - D. correction of errors.

8. A ledger account from which small cash transactions are posted into the main cash book is
- A. petty cash book.
 - B. bills payable account.
 - C. sales day book.
 - D. bills receivable account.

9. The effect of a cash sales transaction of ₦300 in the books of account is: debit
- A. Cash Account ₦300; credit Sales Account ₦300.
 - B. Sales Account ₦300; credit Cash Account ₦300.
 - C. Cash Account ₦600; credit Sales Account ₦600.
 - D. Sales Account ₦600; credit Cash Account ₦600.

10. A deduction allowed for making payment within a specified period is
- A. cash discount.
 - B. bonus.
 - C. trade discount.
 - D. commission.

11. A float of ₦100,000 was given to a petty cashier, the amount spent during the month was ₦69,200. The reimbursement at the end of the month is
- A. ₦130,800.
 - B. ₦100,000.
 - C. ₦ 69,200.
 - D. ₦ 30,800.

Use the following information to answer questions 12 and 13.

	₦
Insurance prepaid (01/01/2015)	8,000
Insurance paid (31/12/2015)	208,000
Insurance prepaid (31/12/2015)	32,000

12. The amount to be charged to Profit and Loss Account as insurance for the year 2015 is
- A. ₦232,000.
 - B. ₦200,000.
 - C. ₦184,000.
 - D. ₦176,000.

13. The Balance Sheet as at 31st December, 2015 would show a current
- A. asset of ₦32,000.
 - B. asset of ₦8,000.
 - C. liability of ₦8,000.
 - D. liability of ₦32,000.

14. A sale of ₦64,000 to Dan was entered in the books as ₦46,000. This is an error of
- A. omission.
 - B. commission.
 - C. principle.
 - D. original entry.

15. When a transaction is recorded in the appropriate subsidiary books at more or less than actual amount, this is an error of
- A. commission.
 - B. omission.
 - C. original entry.
 - D. principle.

16. Accrued expenses is shown in the balance sheet as a
- A. fixed asset.
 - B. long-term liability.
 - C. current asset.
 - D. current liability.

Use the following information to answer questions 17 and 18.

Stock	₦5,000
Rent owing	800
Motor van	26,500
Debtors	11,750
Bank overdraft	7,250
Profit and Loss	12,000
Goodwill	25,000

17. The total assets in the Balance Sheet is
- ₦68,250.
 - ₦43,250.
 - ₦31,500.
 - ₦23,450.
18. The amount of working capital is
- ₦68,250.
 - ₦43,250.
 - ₦31,500.
 - ₦23,450.

Use the following information to answer questions 19 and 20.

A machine was bought on 1st January, 2008 for ₦120,000. Depreciation was provided annually at the rate of 10% using diminishing balance method. The machine was sold for ₦88,000 on 1st October, 2010.

19. The accumulated depreciation as at 1st October, 2010 was
- ₦36,000.
 - ₦32,000.
 - ₦30,520.
 - ₦30,090.
20. What was the profit or loss on disposal?
- ₦4,000 profit
 - ₦1,910 profit
 - ₦1,910 loss
 - ₦4,000 loss

21. Expenses paid in advance at the end of the year is treated in the balance sheet as a

- current asset.
- current liability.
- long-term liability.
- fixed asset.

22. Which of the following items is on the debit side of a Sales Ledger Control Account?

- Bills accepted by debtors
- Bills dishonoured by debtors
- Returns inwards
- Returns outwards

23. In the accounts of not-for-profit making organizations, subscription in advance is treated as an item under

- fixed asset.
- current asset.
- current liability.
- accumulated fund.

24. Land, machinery and motor vehicles are examples of

- intangible assets.
- working capital.
- tangible assets.
- capital employed.

25. Which of the following items is posted in the Balance Sheet?

- Sales
- Purchases
- Prepayments
- Returns

26. The list of all the balances extracted from the ledger accounts at any given time is

- trial balance.
- bank balance.
- total balance.
- cash balance.

27. Failure to post a transaction into accounts is an error of

- principle.
- omission.
- commission.
- transposition.

28. When the total credit entries exceed that of the debit entries, the balance is a

- trial balance.
- total balance.
- debit balance.
- credit balance.

29. The source document used in writing up the returns inwards journal is

- Credit Note issued.
- Credit Note received.
- Sales Invoice received.
- Debit Note issued.

30. The primary record from which entries are made in the sales ledger is

- sales invoice.
- cash book.
- credit note.
- sales journal.

31. The effect of drawings on a business in the books is

- increase in capital.
- decrease in capital.
- increase in current assets.
- decrease in current liabilities.

32. The document sent to a customer by a supplier indicating that an understatement on his account has been corrected is a

- delivery note.
- advice note.
- credit note.
- debit note.

33. The *duality concept* is an expression of

- accounting equation.
- capital contribution.
- profit earned.
- losses incurred.

34. Ogunu a coconut trader, paid ₦4,500 cash for rent. The accounting entries to record this transaction are: debit

- Cash Account; credit Rent Account.
- Rent Account; credit Profit and Loss Account.
- Rent Account; credit Cash Account.
- Cash Account; credit Profit and Loss Account.

35. The act of entering transactions in the books of account is

- casting.
- posting.
- journalizing.
- writing.

36. Ifeoma bought goods on credit for ₦7,000 from Ade's shop. The book Ade will use to record this transaction is

- purchases day book.
- petty cash book.
- general journal.
- sales journal.

37. The order in which current assets are shown in the balance sheet is

- Stock, Debtors, Bank and Cash.
- Cash, Bank, Debtors and Stock.
- Debtors, Stock, Cash and Bank.
- Bank, Debtors, Stock and Cash.

38. Sales Day Book is used to record

- A. cash sales of stock.
- B. credit sales of stock.
- C. cash sales of fixed assets.
- D. credit sales of fixed assets.

39. The amount charged against profit and set aside to meet any known liability of a business which can not be estimated accurately is

- A. provision.
- B. reserve.
- C. depreciation.
- D. appropriation.

40. The accounting entries for sales day book overcast by ₦1,500 is: debit

- A. Suspense Account ₦3,000; credit Sales Account ₦3,000.
- B. Sales Account ₦3,000; credit Suspense Account ₦3,000.
- C. Sales Account ₦1,500; credit Suspense Account ₦1,500.
- D. Suspense Account ₦1,500; credit Sales Account ₦1,500.

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