



Free Questions for CMAPRA17-BA3-1 by certscare

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Question 1

Question Type: MultipleChoice

Refer to the exhibit.

Option:	Debit	Credit
A	Suspense account £90	Receivable £90
	Suspense account £140	Payable £140
B	Suspense account £100	Receivable £100
	Suspense account £140	Payable £140
C	Suspense account £90	Receivable £90
	Suspense account £164.50	Payable £164.50
D	Suspense account £100	Receivable £100
	Suspense account £164.50	Payable £164.50

The following book-keeping errors were discovered:

1. A cheque for 900 received from a receivable, after deduction of 10% cash discount, had been correctly entered in the bank account and discounts allowed accounts, but only the actual amount received had been entered in the receivable's account

2. An invoice for 940, including VAT at 17.5%, had been correctly recorded in the purchases and VAT accounts, but only the net goods value had been entered into the payable's account.

Which of the following options provides the entries necessary to correct the above errors?

The answer is:

Options:

A- Option A

B- Option B

C- Option C

D- Option D

Answer:

B

Question 2

Question Type: MultipleChoice

Which of the following entries would result in the trial balance not agreeing?

- (a) An invoice for 200 for electricity has been omitted from the ledgers
- (b) A payment received from a customer has been posted to the accounts twice
- (c) An invoice for repairs and maintenance has been charged to the non-current asset account
- (d) A payment made to suppliers had been recorded in the cash book but not recorded in the supplier's account

Options:

A- (a) and (b) only

B- (c) and (d) only

C- (d) only

D- All of the above - (a), (b), (c) and (d)

Answer:

C

Question 3

Question Type: MultipleChoice

An invoice for electricity has been debited to the supplier's account and credited to the electricity account. This would result in:

Options:

- A- An overstatement of profit and an overstatement of current liabilities
- B- An overstatement of profit and an understatement of current liabilities
- C- An understatement of profit and an overstatement of current liabilities
- D- An understatement of profit and an understatement of current liabilities

Answer:

B

Question 4

Question Type: MultipleChoice

An organization's trial balance at the end of the month was out of agreement, with the debit side totaling 500 less than the credit side. A suspense account was opened for this amount.

During the next month, the following errors were discovered:

- (a) The purchase returns day book had been under cast by 50
- (b) Rent payable of 400 had been credited to the rent receivable account
- (c) A non-current asset, with a net book value of 700 had been disposed of at a loss of 80; all entries had been correctly recorded except that the sale proceeds had been omitted from the disposals account.

Following the correction of these errors, the balance on the suspense account would be.

Options:

- A-** Credit 130
- B-** Credit 230
- C-** Debit 30
- D-** Debit 270

Answer:

A

Question 5

Question Type: MultipleChoice

Which one of the following is an error of commission?

Options:

- A-** An electricity bill debited and credited to the correct accounts but duplicated
- B-** A credit sale debited to the bank account and credited to the sales account
- C-** The purchase of plant and machinery debited to the fixtures and fittings account and credited to the suppliers account
- D-** An invoice for 592 debited and credited to the correct accounts, but for 529

Answer:

C

Question 6

Question Type: MultipleChoice

The trial balance shows the debit total as \$200 less than the credit total.

This could be due to:

Options:

- A- Entering \$100 received from a customer on the debit side of the trade receivable's account
- B- Entering \$100 received from a customer on the credit side of the trade receivable's account
- C- Under casting the sales daybook by \$200
- D- Under casting the purchases daybook by \$200

Answer:

D

Question 7

Question Type: MultipleChoice

Which one of the following is an error of original entry?

Options:

- A- An electricity bill debited and credited to the correct accounts but duplicated
- B- A credit sale debited to the bank account and credited to the sales account
- C- The purchase of a non-current asset debited to the inventory account and credited to the suppliers account
- D- An invoice for 592 debited and credited to the correct accounts, but for 529

Answer:

D

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