



# KITH & KIN INTERNATIONAL COLLEGE

7/1/1 Kaoli Olusanya Street, Owode Ibeshe, Ikorodu, Lagos State.

## FIRST TERM EXAMINATION 2025/2026 ACADEMIC SESSION

NAME					
SUBJECT	ACCOUNTING	CLASS	SS1	DURATION	1½ HOURS

INSTRUCTION: Answer all questions in Part A and five questions in Part B

### PART A (MULTIPLE CHOICE- 20 MARKS)

- The main purpose of book-keeping is to
  - prevent theft
  - record business transactions systematically
  - increase business profit
  - prepare tax returns
- Which of the following is NOT a function of accounting?
  - Recording transactions
  - Interpreting financial information
  - Cooking food for staff
  - Summarizing records
- Which group of people are the main users of accounting information?
  - Farmers
  - Managers, Investors, Creditors
  - Teachers and Students
  - Drivers
- Which statement is TRUE about accounting?
  - It is the same as mathematics
  - It involves systematic recording of financial transactions
  - It deals only with profit-making organizations
  - It is only useful for banks
- The system used in petty cash is called
  - Capital system
  - Imprest system
  - Balance system
  - Loan system
- The introduction of modern accounting in Nigeria came through
  - local chiefs
  - European merchants and colonial administration
  - Nigerian traders only
  - The military
- The Nigerian Accounting Standards Board (NASB) was established in
  - 1982
  - 1965
  - 1973
  - 1990
- The Institute of Chartered Accountants of Nigeria (ICAN) was founded in
  - 1965
  - 1975
  - 1950
  - 1980
- The first set of Nigerian accountants were trained mainly in
  - Lagos Business School
  - United Kingdom
  - United States
  - Ghana

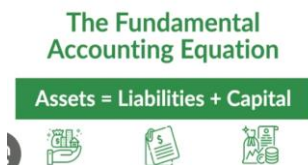


- What does this logo represent?
  - A local cooperative society
  - Institute of Chartered Accountants of Nigeria
  - Association of Nigerian Banks
  - Nigerian Traders Union
- Which of the following is an ethical principle of accounting?
  - Integrity
  - Gambling

- C. Dishonesty
  - D. Cheating
12. Confidentiality in accounting means
- A. hiding accounts forever
  - B. revealing client information to friends
  - C. keeping client financial data private
  - D. gossiping about customers

13. Which is the correct form of the accounting equation?
- A. Capital = Assets – Liabilities
  - B. Assets = Liabilities + Capital
  - C. Liabilities = Assets + Capital
  - D. Capital = Assets + Liabilities

14. A situation where an accountant accepts a gift to alter records breaches
- A. integrity
  - B. objectivity
  - C. transparency
  - D. bribery



15. Which side represents resources owned by the business?
- A. Liabilities
  - B. Assets
  - C. Capital
  - D. Expenses
16. Which of the following is NOT a type of ledger?
- A. General ledger
  - B. Private ledger
  - C. Personal ledger
  - D. Factory ledger
17. The general ledger contains
- A. all nominal and real accounts
  - B. only cash account
  - C. only purchase accounts
  - D. only drawings account
18. Which ledger records debtors' accounts?
- A. General ledger
  - B. Sales ledger
  - C. Purchases ledger
  - D. Nominal ledger

19. Which ledger contains creditors' accounts?
- A. Nominal ledger
  - B. General ledger
  - C. Purchases ledger
  - D. Sales ledger



20. Which of the ledger above is used for nominal accounts?
- A. General ledger
  - B. Purchases ledger
  - C. Sales ledger
  - D. Private ledger
21. A subsidiary book is used for
- A. preparing balance sheets
  - B. recording transactions in detail before posting to ledger
  - C. preparing trial balances only
  - D. making estimates
22. An example of a source document is
- A. Cash book
  - B. Invoice
  - C. Trial balance
  - D. Ledger
23. A subsidiary book that records credit sales is
- A. Purchases day book
  - B. Sales day book
  - C. Cash book
  - D. Petty cash book
24. Source documents are important because they
- A. show the history of Nigerian accounting
  - B. serve as evidence of transactions
  - C. help workers get promoted
  - D. are used for advertising



25. The above is an example of a:

- A. Trial balance
- B. Source document
- C. Ledger
- D. Cash book

26. The sales day book is used to record

- A. all cash sales
- B. all credit sales
- C. all purchases
- D. all returns outwards

27. The return inwards journal is also called

- A. Sales return book
- B. Purchases return book
- C. Cash book
- D. Invoice

28. A credit sale of goods to a customer will first be recorded in the

- A. Ledger
- B. Purchases day book
- C. Sales day book
- D. Petty cash book

29. The return inwards journal is kept by

- A. Debtors
- B. Creditors
- C. Shareholders
- D. Managers

Page	Date	Details	Total	Voucher No.	Travelling expenses	Postage & Stationery	Phone Exp.	Cleaning Exp.
935	CB	Jan 1 Bal b/d	40				40	
		- 1 Petrol	15			15		
		- 3 Postage stamps	30			30		
		- 4 Typing paper	150					150
		- 6 Soap	20					20
		- 7 Cleaning materials	40					40
		- 8 Travelling	20		40			
		- 10 Clerk's bus fare	30		20			
		- 14 Car polish	70				30	
		- 16 Petrol & oil	20			20	70	
		- 18 Registered mail	10					10
		- 20 Office carpet	70				70	
		- 21 Petrol	250				70	
		- 25 Brown	60					250
		- 27 Smith	40					60
		Carbon paper	935		60	105	280	30
			1,000					460
	CB	- 30 Cash	1,935					
		- 30 bal c/d	1,935					
			1,000					
	Feb 1	bal b/d						

30. The table above represents:

- A. Ledger account

B. Petty cash book

C. Bank statement

D. Sales day book

31. The purchases day book is used to record

- A. all credit purchases of goods
- B. all cash purchases
- C. returns by customers
- D. all returns inwards

32. The return outwards journal is also called

- A. Purchases return book
- B. Sales return book
- C. Invoice book
- D. Ledger book

33. Which of the following transactions will be entered in the purchases day book?

- A. Purchase of goods on credit
- B. Purchase of goods with cash
- C. Purchase of furniture on credit
- D. Payment of wages

34. Goods returned to suppliers are recorded in the

- A. Cash book
- B. Purchases return book
- C. Sales day book
- D. Sales return book

35. Which of the following is usually recorded in a petty cash book?

- A. Rent payment
- B. Furniture purchase
- C. Stationery
- D. Payment to suppliers

36. The principle of double entry states that

- A. every transaction affects one account only
- B. every transaction has two aspects: debit and credit
- C. accounts must always balance
- D. capital must equal liability

37. A single column cash book records

- A. only cash receipts
- B. only cash payments
- C. only credit transactions
- D. both cash receipts and cash payments

38. Which of the following is NOT an advantage of double entry system?

- A. It ensures accuracy of records
- B. It helps in preparation of trial balance
- C. It prevents all frauds automatically
- D. It shows the dual effect of transactions

39. If a business pays rent in cash, the entries will be

- A. Debit Rent, Credit Cash
- B. Debit Cash, Credit Rent
- C. Debit Rent, Debit Cash
- D. Credit Rent, Credit Cash

40. At the end of a period, the petty cashier is reimbursed to

- A. balance the trial balance
- B. restore the imprest amount
- C. increase profit
- D. pay creditors

41. The double column cash book has columns for

- A. cash and credit
- B. cash and discounts
- C. cash and bank
- D. cash and purchases

42. When a customer is given a discount for prompt payment, it is recorded in the

- A. cash column
- B. bank column
- C. discount column
- D. purchases column

43. Which side of the cash book records receipts?

- A. Debit side
- B. Credit side
- C. Both debit and credit
- D. Contra side

44. A contra entry occurs when

- A. a customer returns goods
- B. there is a cash and bank transaction within the same business
- C. a supplier is paid by cheque
- D. a discount is received

Date	Particulars	Folio	Cash	Bank	Date	Particulars	Folio	Cash	Bank
	Receipts		₹	₹		Payments		₹	₹

45. The book above is best described as a:

- A. Three-column cash book
- B. Double column cash book
- C. Petty cash book
- D. Ledger

46. The three column cash book has columns for

- A. cash, bank, discounts
- B. cash, purchases, bank
- C. bank, sales, cash
- D. capital, drawings, sales

47. The discount allowed is entered on the

- A. debit side of the discount column
- B. credit side of the discount column
- C. debit side of the cash column
- D. credit side of the cash column

48. Which of these transactions requires all three columns of the cash book?

- A. Cash sales
- B. Cheque received with discount allowed
- C. Cash purchases only
- D. Rent paid in cash

49. Which is NOT an advantage of the three column cash book?

- A. It records discount transactions
- B. It combines cash and bank accounts
- C. It eliminates the need for source documents
- D. It saves time

50. A petty cash book is used to record

- A. only salaries
- B. only minor expenses
- C. only major purchases
- D. only returns inwards

**PART B: THEORY (40 Marks)**

**INSTRUCTIONS: ANSWER ANY FIVE (5) FROM THIS SECTION**

**SECTION A: Answer two questions from this section**

1. Define book-keeping and state three reasons why it is important to a business. 4 marks
- b. Distinguish between book-keeping and accounting with suitable examples. 2 mark
  
- 2a. Define source documents and give four examples. 3 marks
- 2b. List five subsidiary books and state one type of transaction recorded in each. 3 marks
  
- 3a. List and explain four ethical principles every accountant must observe. 3 marks
- 3b. List and explain the three main types of ledger, giving two examples of accounts in each. 3 marks

**SECTION B**

**Answer three questions from this section**

1. Joana Bonnah operated an imprest system with analysed petty cash book. There are columns for stationery, transport, Postage and medical expenses. A float of #200, 000 is maintained by the petty cashier who is reimbursed as and when necessary. The following transactions were recorded in the month of September, 1998.

	#
Sept 2. Balance on hand	200, 000
Sept 6 bought postage stamps	28,000
Sept 7 paid medical expenses.	48,000
Sept 12 bought stationery.	28,500
Sept 16 paid transport expenses	68000
Sept 20 paid medical expenses.	48500
Sept 22 paid for postage stamps.	6200
Sept 22 paid transport expenses	18800
Sept 24 bought stationery	6000
Sept 24 paid transport expenses	32600
Sept 28 bought postage stamps.	8500
Sept 30 paid medical expenses	26500

You are required to enter the details above in a column petty cash book. SSCE JUNE 1999.  
10MARKS

2. Eunice Olatunde started business on 1/1/94 with the following

	#
Building	100,000
Stock of goods	40000
Motor van.	50000
Cash	10000

During the month, he undertook the following transactions

	#
5/1/94. Sold goods for cash	5000
10/1/94 Sold goods on credit.	20000
12/1/94 bought goods on credit.	10000
15/1/94. Cash sales banked.	15000
18/1/94 paid cash for office stationery	2000
20/1/94 received cash from debtors.	5000
22/1/94 paid cash for office expenses	1000
23/1/94 Sold goods for cash.	7000

24/1/94 paid salaries by cheque	4000
25/1/94 Sold goods on credit.	5000
26/1/94 bought goods on credit.	3000
27/1/94 bought goods for cash	2500
28/1/94 withdrew money from bank for owners use	1500
29/1/94 office cash banked.	5000
31/1/94 paid electricity by cheque	1500

You are required to record the above transactions in the appropriate books of original entry  
SSCE JUNE 9 MARKS

3. Enter the following transactions of Richard during the month of May 1994 in his three column cash book.

July 1 Balance brought forward; Cash #3000, Bank #9000

July 2 The following were paid by cheques less 10% discount: Sola #450, Sobowale #3000

July 3 Cash sales #17000

July 4 Paid tenement rate by cash #1800

July 5 The following paid us by cheque in each case deducting 15% discount. Ayodele #16000, Sule #4200

July 6 withdrew cash from bank for private use #1000

July 10 withdrew cash from bank for business use #6000

July 13 Cash purchases #500

July 14 Bought goods paying by cheque #90

July 25 Bought building by cash #300

July 30 Paid insurance by cash #20

July 31 Kayode lent us #1000 cash. 9 marks

4. Write up the following transactions in the books of Olotu.

Jan 1 started business with #16000 cash

Jan 2 Purchased furniture by cash #2400

Jan 3 Purchased stationery #3500 cash

Jan 4 Purchased goods on credit from Mallam Abiodun #5000

Jan 15 Sold goods for cash #6000

Jan 18 Sold goods to Charles on credit #2400

Jan 20 aid advertisement expenses #200 cash

Jan 25 Paid Mallam Abiodun #3500 cash, being part of settlement of goods purchased.

Jan 28 Paid rent in cash #300

Jan 31 Paid salaries and wages #600 cash. SSCE JUNE 1993. 9 MARKS