



## Accounting challenge x 50Q

### Secondary School Group Round 1

Congratulations to the three winners who submitted the greatest number of correct answers! They are:

(in alphabetical order)

Name	HKID No. (only 3 digits shown)	Institute Name
Lam Kwun Man	Y 329xxx (x)	Buddhist Yip Kei Nam Memorial College
Wong Sum Yi	Y 201xxx (x)	Lions College
Yip Tsz Chung	Y 284xxx (x)	St. Joseph's College

\* Winners will be notified individually of prize collection details.

The Round 1 questions and answers are:

**1 Question** : When was HKIAAT set up?

Answer : (B) 1988

**2 Question** : A trial balance will fail to agree if

Answer : (D) the total of the Discounts Allowed column in the cash book is credited to Discounts Received account

**3 Question** : All of the Gibson Company's inventories were destroyed by fire on 4 March 2009. Beginning inventories as at 1 January 2009 was \$2,300,000. From 1 January to 4 March sales totaled \$4,200,000 and purchases were \$3,800,000. Gibson Company's mark up on goods is 33.3% to arrive at selling price. The cost of the destroyed inventories was

Answer : (D) \$2,950,000

**4 Question** : A debit note for \$470 received from a debtor Moses has been debited to Mason's account in the sales ledger. On the trial balance there will be

Answer : (A) \$470 understated on the credit side and \$470 overstated on the debit side



5 Question : A limited company has an authorized ordinary share capital of \$1,500,000 with a par value of \$2.00. It has issued 600,000 of the shares. The directors propose to pay a dividend of 8%. The total dividend payable will be

Answer : (B) \$96,000

6 Question : A company should value its inventories at the lower of

Answer : (D) cost and net realisable value

7 Question : Overhead absorption rates are used to determine the

Answer : (D) total cost of a product

8 Question : Breakeven point is determined by dividing

Answer : (D) total fixed costs by contribution per unit

9 Question : Which of the following statements about Continuing Professional Development (CPD) of HKIAAT members are CORRECT?

- I. CPD must be of technical nature.
- II. All members of HKIAAT are required to comply with a minimum of 20 hours of unstructured CPD per year.
- III. CPD is a way to ensure members maintaining, enriching and extending their professional and technical expertise.
- IV. CPD programmes do not need to be pre-approved by the HKIAAT.

Answer : (C) II, III & IV

10 Question : Which of the following softwares is practiced in the Applied Learning Course "Practical Accounting for SMEs"?

Answer : (C) MYOB