



**THE INSTITUTE OF CHARTERED
ACCOUNTANTS OF NIGERIA**

INSIGHT

SEPTEMBER 2025 ATSWA EXAMINATION

PART I

**Question Papers, Suggested Solutions and
Examiners' Comments**

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THE ASSOCIATION OF ACCOUNTANCY BODIES IN WEST AFRICA



**ACCOUNTING TECHNICIANS SCHEME, WEST AFRICA
SEPTEMBER 2025 EXAMINATIONS (PART I)**

BASIC ACCOUNTING

PLEASE READ THESE INSTRUCTIONS BEFORE COMMENCEMENT OF THE PAPER

EXAMINATION INSTRUCTIONS

1. All solutions should be in ink. Any solution in pencil will not be marked.
2. Read all instructions on each part of the paper carefully before answering the questions.
3. Ensure that you do not answer more than the number of questions required for **Section B (The Essay Section)**.
4. Check your pockets, purse and mathematical sets, etc, to ensure that you do not have prohibited items such as telephone handset, electronic storage device, wrist watches, programmable devices or any form of written material on you in the examination hall. You will be stopped from continuing with the examination and liable to further disciplinary actions including cancellation of examination result if caught.
5. Do not enter the hall with anything written on your docket.
6. Insert your examination number in the space provided above.

TUESDAY, SEPTEMBER 23, 2025

DO NOT TURN OVER UNTIL YOU ARE TOLD TO DO SO

**THE ASSOCIATION OF ACCOUNTANCY BODIES IN WEST AFRICA
ACCOUNTING TECHNICIANS SCHEME, WEST AFRICA
PART I EXAMINATIONS – SEPTEMBER 2025**

BASIC ACCOUNTING

Time Allowed: 3 hours

SECTION A: PART I MULTIPLE CHOICE QUESTIONS (30 MARKS)

ATTEMPT ALL QUESTIONS IN THIS SECTION

Write ONLY the alphabet (A, B, C, D or E) that corresponds to the correct option in each of the following questions/statements.

1. The periodic report of activities of a business enterprise through the presentation of the financial reports to the owners of the business by management is referred to as accounting.
 - A. social
 - B. government
 - C. stewardship
 - D. sustainability
 - E. project

2. Which of the following is **NOT** a revenue expenditure?
 - A. Cost of repairing plant and equipment
 - B. Cost incurred in acquiring trading inventories for sale
 - C. Staff salaries and emoluments
 - D. Discount allowed on credit sales
 - E. Purchase of new equipment for use as non-current asset

3. What primary roles do Accountants play in an economy?
 - A. Providing legal advice to businesses and individuals
 - B. Managing human resources and employee recruitment
 - C. Conducting market research and Consumer behaviour
 - D. Preparing financial statements and conducting audits
 - E. Designing financial models and analytical review

4. Which of the following is regarded as a FINTECH company operating in the financial system?
- Oracle software
 - Data Base Management Systems (DBMS)
 - Money Deposit Banks
 - Crypto banking systems
 - Interswitch
5. The core purpose of forming a partnership business as stated in the Partnership Act is
- pooling of resources together
 - making of profit
 - admission of new members
 - to enter joint ventures arrangement
 - to share profit
6. Which of the following is **NOT** a characteristic of a business organisation?
- It exists to make profit
 - It pays reasonable salary to employees
 - It meets the needs of society by providing goods and services
 - Its reward for accepting risk is profit
 - The profit earned belongs to its owners
7. What is the effect on Assets, Liabilities and Equity if the business owner allowed his Building worth ₦25,000,000 to be used for the business.
- | | Assets | Liabilities | Equity |
|----|---------------|--------------------|---------------|
| A. | Increase | No effect | Increase |
| B. | Increase | Increase | No effect |
| C. | Decrease | Decrease | No effect |
| D. | No effect | Decrease | Increase |
| E. | No effect | Increase | Increase |
8. A ledger which summarises all transactions to prepare a trial balance is called
- Rent Ledger
 - Control Account
 - Personal Ledger
 - Impersonal Ledger
 - Extended Trial Balance

Use the following information to answer questions 9 and 10

Password Enterprises acquired an Equipment at a cost of GH¢15,000,000. It is depreciated using reducing balance method at the rate of 15% per annum. Calculate:

9. The cumulative depreciation at the end of the 4th year.
 - A. GH¢6,655,582
 - B. GH¢7,169,906
 - C. GH¢7,830,094
 - D. GH¢8,344,420
 - E. GH¢9,211,875
10. The carrying amount at the end of the 5th year.
 - A. GH¢6,655,581
 - B. GH¢7,169,906
 - C. GH¢7,830,094
 - D. GH¢8,344,420
 - E. GH¢9,211,875
11. The excess of total assets over total liability is called
 - A. reserves
 - B. loan notes
 - C. working capital
 - D. net profit
 - E. equity
12. Which of the following is **NOT** an element of inventory cost?
 - A. Cost of acquisition
 - B. Cost of financing inventory
 - C. Handling cost
 - D. Inventory risk cost
 - E. Weighted average cost
13. What is the cost of goods sold given that the sales figure is L\$10,000,000 with a mark-up of 25%?
 - A. L\$7,000,000
 - B. L\$7,500,000
 - C. L\$7,968,127
 - D. L\$8,000,000
 - E. L\$8,500,000

Use the following data to answer questions 14 and 15

	31/12/2023	31/12/2024
	GH¢	GH¢
Non-current assets at cost	480,000	429,000
Current assets	1,125,000	1,380,000
Current liabilities	225,000	195,000
Accumulated depreciation	105,000	111,000

14. What is the Equity of the business as at December 31, 2023?
- A. GH¢1,260,000
 - B. GH¢1,275,000
 - C. GH¢1,290,000
 - D. GH¢1,380,000
 - E. GH¢4,815,000
15. What was the depreciation charged for the year 2024?
- A. GH¢6,000
 - B. GH¢15,000
 - C. GH¢30,000
 - D. GH¢51,000
 - E. GH¢111,000
16. An accounting concept that assumes a business will be in operation for a foreseeable future is known as
- A. Perpetuity concept
 - B. Going concern
 - C. Forecasting theory
 - D. Consistency
 - E. Periodicity
17. Which of the following would **NOT** be found in a manufacturing account?
- A. Carriage Inwards
 - B. Returns Inwards
 - C. Depreciation of Plant
 - D. Manufacturing wages
 - E. Royalties
18. The account created to achieve agreement of a Trial Balance is
- A. Control account
 - B. Total payable account
 - C. Reconciliation account
 - D. Suspense account
 - E. Journal proper

19. Which of the following serves as a book of Prime entry and play the role of a Ledger?
- A. Manufacturing account
 - B. Control account
 - C. Sales Day book
 - D. Ledger account
 - E. Cash book
20. Which of the following errors will **NOT** affect the agreement of a Trial balance?
- A. Double entry errors
 - B. Transposition of figures
 - C. Error in computation of balances
 - D. Errors of wrong posting in the debit and credit column
 - E. Error of principle
21. The International Accounting Standard (IAS) on Property, Plant and Equipment (PPE) is
- A. 1
 - B. 2
 - C. 5
 - D. 8
 - E. 16
22. Which of the following is **NOT** regarded as accounting package?
- A. Sage accounting software
 - B. ACCPAC accounting package
 - C. QuickBooks
 - D. Microsoft excel
 - E. Zoho books
23. In banking transactions, the traditional name for demand deposit is known as
- A. Money deposit
 - B. Cheque account
 - C. Savings account
 - D. Fixed deposit
 - E. Current account

24. The following information was extracted from the books of accounts of Backcock Book Club, a not-for-profit organisation for the year 2024.

	NLe
Subscriptions owing as at 1/1/2024	100,000
Subscriptions received during the year	960,000
Subscriptions received during the year includes NLe240,000 in respect of 2025.	

Calculate the subscription to be transferred to Income and Expenditure account.

- A NLe600,000
 - B NLe620,000
 - C NLe760,000
 - D NLe820,000
 - E NLe1,100,000
25. Which of the following is an output document in the preparation of a computer payroll?
- A. Bonus sheet
 - B. Letter of Employment
 - C. Payslip
 - D. Overtime sheets
 - E. Clock card

Use the following information to answer questions 26 and 27

The total revenue of a business for the year ended June 30, 2025, stood at ₦5,000,000, and the profit mark-up was $33\frac{1}{3}\%$.

26. Calculate the gross profit.
- A. ₦1,250,000
 - B. ₦1,501,679
 - C. ₦1,666,500
 - D. ₦1,875,047
 - E. ₦1,924,250
27. What is the cost of goods sold? (to the nearest naira)
- A. ₦3,333,500
 - B. ₦3,470,093
 - C. ₦3,715,194
 - D. ₦3,750,000
 - E. ₦3,750,094

28. An Air conditioner was purchased for GH¢2,500,000. The cost of installation was GH¢250,000 and custom duties amount to GH¢80,000. Due to lack of fund, the owner took a bank loan, the interest paid was GH¢50,000.
- Determine the cost of equipment to be recognised in the books of accounts.
- A. GH¢2,500,000
 - B. GH¢2,750,000
 - C. GH¢2,800,000
 - D. GH¢2,830,000
 - E. GH¢2,880,000
29. In preparing the statement of financial position, unearned commission received is treated as
- A. Current liability
 - B. Current asset
 - C. Fictitious asset
 - D. Non-current liability
 - E. Equity
30. When an order cheque is endorsed by signing the signature of the payee at the back, the cheque becomes an(a)
- A. Bearer cheque
 - B. Crossed cheque
 - C. Order cheque
 - D. Special cheque
 - E. General cheque

SECTION A: PART II

SHORT ANSWER QUESTIONS

(20 MARKS)

ATTEMPT ALL QUESTIONS

Write the correct answer that best completes each of the following questions/statements.

1. The principles of double entry book-keeping dates back to.....
2. The formula for calculating bonus in Rowan plan scheme is.....
3. The Accounting Standards issued by the IASB that governed the accounting for inventories is referred to as.....
4. Two methods used in the preparation of Cash flow statement are and

5. An information technology tool used in the processing of accounting information without human interference is called.
6. When the value of an asset is determined based on existing market value, such method of valuation is known as
7. A supplementary record used to provide detailed breakdown of control account balances in the General Ledger is known as
8. Data stored in a computerised accounting system that can be arranged into any desired format is called
9. Jumoke, a trader, made Cash Sales of ₦124,000 and issued invoices of ₦302,000 for credit sales of which ₦101,000 had been paid. The balance in the Sales Account is
10. A system of accounting where a fixed amount is given to the Cashier periodically for minor expenses is referred to as
11. Using the following data determine the Equity of Makama business venture.

	L\$'000
Motor van	15,000
Furniture	8,000
Cash	5,500
Payables	18,000

Loan Notes is 30% of Assets.
12. The source document used for recording into the Returns Inwards book of a business entity is
13. A Card issued by a financial institution, used for the transmission of payments and the granting of credits is known as
14. In the banking industry, a cheque presented for payment after six months of issuance is regarded as
15. A business organisation that restricts the transfer of shares of its owners is known as
16. An obligation of an entity arising from past events the settlement of which is expected to result in an outflow of resources that embody economic benefits, is referred to as

17. Kofi started business on July 1, 2024, with GH¢400,000. At year end, his total assets were valued at GH¢1,000,000. Throughout the year, Kofi took GH¢140,000 of the business to maintain his family. On January 1, 2025, he won GH¢300,000 in sport betting and this was added to the business. Kofi's profit for the financial year ended June 30, 2025, is
18. An allowance made against doubtful debts is an example of accounting concept.

Use the data below to answer questions 19 and 20

Mr Alfa was employed by Jupiter Limited in the month of March 2025. Information from his Payslip showed his salary per month as follows:

Basic salary	L\$200,000
Income tax	10% of basic salary
Social Contribution:	
Employer	12½% of basic salary
Employee	5% of basic salary
Clothing allowance	L\$50,000 per month

19. Calculate the total deduction to be made from Mr Alfa's basic salary.
20. Mr Alfa's consolidated salary for the month of March 2025 is

SECTION B: ATTEMPT ANY FOUR QUESTIONS (50 MARKS)

QUESTION 1

- (a) Explain the meaning of Books of Prime entry. (2½ Marks)
- (b) Stephen Enterprises made the following purchases on credit for the month of June 2025.

Date	Transactions	Amount (L\$)	Invoice no.
1/6/25	Bola & Co	300,000	1050
	Williams T. J.	216,000	1055
6/6/25	Samson Joe	120,000	1058
	Sona Stores	164,000	1060
	Akala & Co	196,500	1063
10/6/25	John Paul	240,000	1070
	Milton Enterprises	135,000	1081
	Full List Enterprises	675,000	1084

Required:

Enter the transactions in the relevant book of prime entry and show the Purchases account as it will appear in the ledger.

(10 Marks)

(Total 12½ Marks)

QUESTION 2

(a) Explain the concept of Not-for-profit Entities.

(3½ Marks)

(b) State **SIX** features of Not-for-profit Entities.

(9 Marks)

(Total 12½ Marks)

QUESTION 3

The following balances were extracted from the books of Okpolo Enterprises on June 30, 2025.

	₦
Capital at July 1, 2024	12,500,000
Receivables	4,715,000
Cash in hand	241,400
Furniture and Fittings	4,220,000
Payables	3,442,400
Inventory at July 1, 2024	1,846,000
Revenue	49,100,000
Purchases	38,500,000
Motor Vehicles at cost	4,500,000
Motor Vehicles expenses	2,750,000
Rent	5,620,000
Drawings	2,650,000

Additional information include:

- (i) ₦250,000 is owed for Motor vehicle expenses
- (ii) ₦120,000 has been prepaid for Rent
- (iii) Inventory at the close of business was valued at ₦1,500,000
- (iv) Provision of ₦2,500,000 is to be made for audit fee
- (v) Provision is to be made for unrecoverable debts at 1% of total receivables on June 30, 2025
- (vi) Depreciation is to be provided as follows:
 - Motor vehicle: 20% on cost
 - Furniture and Fittings: 10% on cost

Required:

- (a) Prepare the Trial balance as at June 30, 2025. (4½ Marks)
- (b) Statement of Profit or Loss for the period ended June 30, 2025. (8 Marks)
- (Total 12½ Marks)**

QUESTION 4

- (a) State **FIVE** main features of the bank reconciliation when using an Accounting Package. (5 Marks)
- (a) Bonju is a sole trader who has been in business for many years. He Presented the following records from his books of accounts as at December 31, 2024.

Balance as per bank statement was GH¢980,000 credit. Cash book balance showed GH¢3,700,000 credit in the Bank account column of the Cash book.

Upon investigation, it was revealed that the following items had been reflected in the Bank statement but not in the Cash book.

	Cr
	GH¢
Bank charges	500,000
Bank loan interest	100,000
Interest from Investments	200,000
Dividend from shares	120,000

Further information showed that a cheque for GH¢2,000,000 issued to Akufo was returned unpaid due to insufficient fund. Another cheque for GH¢3,000,000 issued to Michal has not been presented to the bank for payment. A cheque of GH¢2,000,000 from Kodunga was yet to be credited.

Required:

- i. Prepare an Adjusted Cash book of Bonju. (4 Marks)
- ii. Prepare a Bank reconciliation statement as at December 31, 2024. (3½ Marks)
- (Total 12½ Marks)**

QUESTION 5

On March 31, 2022, Newton Business Hub had receivables balance of ₦7,500,000. Before the preparation of the final accounts, it was discovered that a customer owing ₦1,500,000 would not be able to settle such debts. It is the policy of Newton Business Hub to make allowances for doubtful receivables of 5% of all outstanding receivables at the end of each accounting period.

During the accounting year of 2023, the business made a total credit sales of ₦9,800,000 out of which an amount of ₦5,500,000 was collected from customers. A court declared a customer who owes the business an amount of ₦850,000 bankrupt in August 2023. Newton Hub recorded some cheques amounting to ₦1,750,000 that were dishonoured.

The business recorded ₦15,000,000 and ₦8,500,000 in connection with Cash and credit sales respectively in the year 2024. The business received ₦12,500,000 from trade receivables.

Required:

Post and balance the following accounts:

- (a) Trade Receivables account (6 Marks)
 - (b) Bad Debts account (2 Marks)
 - (c) Allowances for Doubtful Receivables account (4½ Marks)
- (Total 12½ Marks)**

QUESTION 6

International Accounting Standards Board (IASB) Conceptual Framework describes the elements of financial statements.

- (a) Explain the characteristics of the following terms used in the statement of financial position.
 - i. Asset (3 Marks)
 - ii. Liability (3 Marks)
 - iii. Equity (2½ Marks)
 - (b)
 - i. State **FOUR** features of non-current assets. (2 Marks)
 - ii. Give **FOUR** examples of current assets of a business entity. (2 Marks)
- (Total 12½ Marks)**

SECTION A: PART I

MULTIPLE CHOICE SOLUTIONS

1. C
2. E
3. D
4. E
5. B
6. B
7. A
8. B
9. B
10. A
11. E
12. E
13. D
14. B
15. A
16. B
17. B
18. D
19. E
20. E
21. E
22. D
23. E
24. B
25. C
26. A
27. D
28. D
29. A
30. A

Workings

Q9 and Q10

Password Enterprises:			
Cost ₦15,000,000; Method:		Reducing balance method.	
Yr	Yearly depreciation	Acc. depreciation	Carrying cost
	₦	₦	₦
1	$15\% \times 15,000,000 = 2,250,000$	2,250,000	12,750,000
2	$15\% \times 12,750,000 = 1,912,500$	4,162,500	10,837,500
3	$15\% \times 10,837,500 = 1,625,625$	5,788,125	9,211,875
4	$15\% \times 9,211,875 = 1,381,781.25$	7,169,906.25	7,830,093.75
5	$5\% \times 7,830,093.75 = 1,174,514$	8,344,420.25	6,655,580

Q13 Cost of goods sold

$$SP = \text{Cost} + \text{Mark up} = 100 + 25 = \text{L\$}10,000,000$$

$$SP = 125\%; \text{Cost} = 100/125 \times \text{L\$}10,000,000 = \text{L\$}8,000,000$$

Q14 and Q15

$$\text{Equity} = \text{Assets} - \text{Liability}$$

$$= \text{Assets } (480,000 + 1,125,000) - (225,000 + 105,000)$$

$$= 1,605,000 - 330,000$$

$$= \text{¢}1,275,000$$

Q15 Depreciation charged for the year 2024

$$\text{Depreciation charged} = \text{¢}111,000 - 105,000 = \text{¢}6,000$$

Q24 BACKOK

Subscription Account			
Bal b/f	100,000	Bank	960,000
Income & Expenditure	620,000		
Bal c/d	<u>240,000</u>		
	<u>960,000</u>		<u>960,000</u>
Bal. b/d	240,000		

Q26 and Q27

$$\text{Mark up} = 33^{1/3}\%; \text{margin} = \frac{1}{3+1} = \frac{1}{4}$$

$$\text{Selling Price} = \text{N\$}5,000,000$$

$$\text{Cost} = 1 - \frac{1}{4} \times 5,000,000 = \frac{3}{4} \times 5,000,000 = \text{N\$}3,750,000$$

$$\text{Cost Profit} = SP - CP = \text{N\$}5,000,000 - \text{N\$}3,750,000$$

$$= \text{N\$}1,250,000$$

Q28

	GHC
Cost	2,500,000
Cost of installation	250,000
Custom duties	<u>80,000</u>
Cost of Equipment to be recognised in the books	<u>2,830,000</u>

Examiner's comment

These sets of questions cover all the area of the syllabus.

All the candidates attempted the question and their performance was good.

Candidates' major pitfall was their poor preparation for the diet examination.

Candidates are advised to prepare well for the future ATSWA examination.

SECTION A: PART II

SHORT ANSWER SOLUTIONS

1. 1,494
2. $\frac{\text{Time saved}}{\text{Time Allowed}} \times \text{Time taken} \times \text{Time rate}$
3. IAS2
4. Direct and Indirect methods
5. Automated Accounting System (AAS)/Robotic Process Automation (RPA)/Artificial Intelligence (AI)
6. Fair/Market Value
7. Subsidiary ledger
8. Data base
9. N426,000
10. Pelly cash imprest system
11. L\$1,950,000
12. Debit note
13. Credit card
14. Stale Cheque
15. Private company/Private limited company
16. Liability
17. GH¢440,000
18. Conservatism or prudence concept
19. L\$30,000
20. L\$250,000

Workings

Q9.	Cash sales	N124,000
	Credit sales	<u>N302,000</u>
		<u>N426,000</u>

Q11	Assets:	LS'000
	Motor van	15,000
	Furniture	8,000
	Cash balance	<u>5,500</u>
	Total Assets (A)	<u>28,500</u>

Liabilities

Loan notes (30% x LS28,500,000)	8,550
Payables	<u>18,000</u>
Total payables (B)	<u>26,550</u>
Equity (A – B)	<u>1,950</u>

		GH¢
Q17	Closing owners' equity	1,000,000
	Total drawings	<u>140,000</u>
		1,140,000
	Less: Opening owners' equity	400,000
	Additional capital	<u>300,000</u>
		<u>700,000</u>
	NET PROFIT	<u>440,000</u>

		LS
Q19	Basic salary	200,000
	Income tax (10% x LS200,000)	20,000
	Social contribution – Employee (5% x LS200,000)	<u>10,000</u>
	Total deductions	<u>30,000</u>

Q20	Basic salary	200,000
	Clothing allowance	<u>50,000</u>
	March 2025 consolidation salary	<u>250,000</u>

Examiner's comment

These are short answer questions that cover all the contents of the syllabus. All the Candidates attempted the questions and their performance was average.

The major pitfall of the candidates was their inability to interpret the questions correctly.

Candidates are advised to prepare well for the future ATSWA examination.

SECTION B

SOLUTION 1

- a. Books of prime entry are books, where the transactions of a business are first recorded before postings into the ledger. They are also called books of original entry or subsidiary books. They serve as day-to-day record of all transactions, maintained in chronological orders. The following are the books of prime entry:

- i. Purchases daybook or purchases journal
- ii. Sales daybook or sales journal
- iii. Returns outward day book or returns outward journal
- iv. Returns inward day book or returns inward journal
- v. Cash book/Petty cash book
- vi. Journal proper

b)

STEPHEN ENTERPRICES
PURCHASES DAY BOOK FOR THE MONTH OF JUNE 2025

Date	Particulars	Invoice No.	Details	Amount N'000
1/6/2025	Bola & Co.	1050	300,000	
	Williams T.J	1055	216,000	
				516,000
6/6/2025	Samson Joe	1058	120,000	
	Sona Stores	1060	164,000	
	Akala & Co.	1063	196,500	
				480,500
10/6/2025	John Paul	1070	240,000	
		1081	135,000	
		1084	675,000	
				<u>1,050,000</u>
30/6/2025	Transfer to purchases a/c (DR)			<u>2,046,500</u>

Stephen Enterprises: Purchase account

		L\$	L\$
30/6/2025	Trade payables control	2,046,500	

Examiner's comment

The question tests candidates' knowledge on the books of prime entry and its application to Purchases Day Book.

About 95% of the candidates attempted the question and their performance was good.

Candidates' major pitfall was their poor preparation for the examination.

Candidates are advised to always prepare well before sitting for professional examinations.

SOLUTION 2

- a. Not-for-profit entities are entities that do not have profit maximization as their main objectives. Decision making in not-for-profit entities are not based on cost-benefit analysis. A goal can still be pursued even where the cost outweighed the benefits, provided such goal will add value to the intended beneficiaries. Their performances are usually not measured in terms of return on investment. Any surplus generated by such organisations are re-invested into achieving the entity's objectives rather than distributed as dividends. Not-for-profit entities can be sub-divided into two groups as follows:
- Governmental entities
 - Non-governmental entities
- b. The features of not-for-profit entities include:
- i. The ownership of such entities are in the hands of private individuals or groups
 - ii. The activities of such entities are not for making profit.
 - iii. The financial report of such entities are limited to receipt and payment account, income and expenditure statement, with or without statement of financial position.
 - iv. It does not have a clear distinct accounting basis
 - v. It is usually set-up to promote the welfare of the society, or for the promotion of art, culture or faith in the society.
 - vi. The liability of the entity to the members (owners) is referred to as accumulated fund or capital fund
 - vii. The income statement of the organisation is called income and expenditure account
 - viii. The primary focus of the management of such entities are usually placed on accountability, stewardship and transparency in the use of funds
 - ix. In the case of the non-governmental entities, NGO, they play the role of pressure group to influence government decisions
 - x. Their operating financial frameworks are set up by legislation or through public donations
 - xi. In the case of public sector entities, their rights, powers and responsibilities are derived from the constitution or laws setting them up.

Examiner's comment

The question tests candidates' knowledge on Not-for-Profit as a concept and its basic features.

About 95% of the candidates attempted the question and their performance was good.

Candidates' major pitfall was their poor preparation for the examination.

Candidates are advised to always prepare well before sitting for examination.

SOLUTION 3

a.

OKPOLO ENTERPRISES TRIAL BALANCE AS AT JUNE 30, 2025

	DR N	CR N
Capital at July 1, 2024		12,500,000
Receivables	4,715,000	
Cash in hand	241,400	
Furniture and fittings	4,220,000	
Payables		3,442,400
Inventory at July 1, 2024	1,846,000	
Revenue		49,100,000
Purchases	38,500,000	
Motor vehicles	4,500,000	
Motor vehicles expenses	2,750,000	
Rent	5,620,000	
Drawings	<u>2,650,000</u>	
	<u>65,042,400</u>	<u>65,042,400</u>

b.

OKPOLO ENTERPRISES STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2025

	DR N	CR N
Revenue		49,100,000
<u>COST OF SALES:</u>		
Opening inventory	1,846,000	
Purchases	<u>38,500,000</u>	
	<u>40,346,000</u>	
	<u>(1,500,000)</u>	
		<u>(38,846,000)</u>
		10,254,000

GROSS PROFIT

OPERATING EXPENSES:

Motor vehicle expenses (Wk 1)	3,000,000	
Rent (Wk 2)	5,500,000	
Audit fee	2,500,000	
Increase in allowance for bad debts (Wk 3)	47,150	
Depreciation – Motor vehicle (Wk 4)	900,000	
Depreciation – Furniture and fittings (Wk 4)	<u>422,000</u>	
		<u>(12,369,150)</u>
NET PROFIT/(LOSS) FOR THE YEAR		<u>(2,115,150)</u>

OKPOLO ENTERPRISES WORKING NOTES

WK 1: Determination of motor vehicle expenses for the year

₦'000
2,750,000
<u>250,000</u>
<u>3,000,000</u>

WK 2: Determination of rent expenses for the year

	₦'000
Rent as per a/c	5,620,000
Prepaid rent	<u>(120,000)</u>
	<u>5,500,000</u>

WK 3: Calculation of increase in allowance for bad debts

	₦'000
Receivables as per a/c	4,715,000
Allowance for bad debts @ 1%	<u>(47,150)</u>

WK 4: Calculation of depreciation expenses for the year

	Motor Vehicles	Furniture & Fittings
	₦'000	₦'000
PPE @ cost	4,500,000	4,220,000
Depreciation rate	<u>20%</u>	<u>10%</u>
Depreciation expenses for the year	<u>900,000</u>	<u>422,000</u>

Examiner's comment

The question tests candidates' knowledge on the preparation of a trial balance from given extracted ledger balances and simple final account.

About 90% of the candidates attempted the question and their performance was above average.

The candidates' major pitfall was their poor understanding of the question's requirement. Candidates are advised to prepare and practise past questions very well before sitting for future examination.

SOLUTION 4

- a. Main features of Bank reconciliation sub system when using Accounting Packages:

The main features of a bank reconciliation sub system would be:

INPUTS:

- i. Pay in slips
- ii. Cheque stop/counterfoil
- iii. Bank debit notes
- iv. Bank credit notes

OUTPUT:

- v. Bank balance as at the date of reconciliation
- vi. List of stale cheques
- vii. List of uncredited cheques
- viii. List of unpresented cheques
- ix. List of unmatched items (Those in the bank statement but not in the cash book)
- x. Automated transaction matching, which allows for automatic import of bank statement transactions into the system and speeds up reconciliation process significantly by identifying matching entries.

- b.

BONJU

ADJUSTED CASH BOOK AS AT DECEMBER 31, 2024

	CH¢		CH¢
<u>Items omitted on the cash book:</u>		Bak b/f	3,700,000
Interest from investments	200,000	<u>Items omitted on the cash book:</u>	
Dividend from shares	120,000	Bank charges	500,000
Dishonoured cheque – Akufo	2,000,000	Bank loan interest	100,000
Bal c/d	<u>1,980,000</u>		
	<u>4,300,000</u>		<u>4,300,000</u>
		Bal b/d	1,980,000

ALTERNATIVE

BONJU

BANK RECONCILIATION STATEMENT AS AT DECEMBER 31, 2024

	CH¢
Balance as per bank statement	980,000
Add: Uncredited lodgement	<u>2,000,000</u>
	2,980,000
Less: Unpresented cheque	<u>3,000,000</u>
BALANCE AS PER ADJUSTED CASH BOOK	<u>(20,000)</u>

BONJU
BANK RECONCILIATION STATEMENT AS AT DECEMBER 31, 2024

	CH¢
Balance as per adjusted cash book	(1,980,000)
Add: Unpresented cheque	<u>3,000,000</u>
	1,020,000
Less: Uncredited lodgement	<u>2,000,000</u>
BALANCE AS PER BANK STATEMENT	<u><u>(980,000)</u></u>

Examiner's comment

The question tests Candidates' knowledge on the features of the bank reconciliation when using an Accounting package, while it also tests the preparation of adjusted cash book and bank reconciliation statement in part (b) of the question.

About 90% of the candidates attempted the question and their performance was average.

Candidates' major pitfall was their poor understanding of this area of the syllabus.

Candidates are advised to prepare well for the future examination.

SOLUTION 5

a.

NEWTON BUSINESS HUB
Trade receivables control a/c

		N'000			N'000
31/3/2022	Bal b/f	<u>7,500,000</u>	31/3/2022	Bad debt	1,500,000
				Bal c/d	<u>6,000,000</u>
		<u>7,500,000</u>			<u>7,500,000</u>
1/4/2022	Bal c/d	6,000,000		Receipts from customers	5,500,000
	Credit sales	<u>9,800,000</u>	31/3/2023	Bal c/d	<u>10,300,000</u>
		<u>15,800,000</u>			<u>15,800,000</u>
1/4/2023	Bal b/d	10,300,000		Bad debt	850,000
	Dishonoured cheque	1,750,000		Receipts from customers	12,500,000
	Credit sales	<u>8,500,000</u>	31/3/2024	Bal c/d	<u>7,200,000</u>
		<u>20,550,000</u>			<u>20,550,000</u>
1/4/2024	Bal b/d	7,200,000			

b.

Bad debts a/c

		N'000			N'000
31/3/2022	Trade receivables control	<u>1,500,000</u>	31/3/2022	Statement of profit or loss	1,500,000
31/3/2024	Trade receivables control	<u>850,000</u>	31/3/2024	Statement of profit or loss	<u>850,000</u>

C.

Allowance for doubtful receivables a/c

		N'000			N'000
31/3/2022	Bal c/d	<u>300,000</u>	31/3/2022	Profit or loss (Wk 1)	<u>300,000</u>
31/3/2022	Bal c/d		1/4/2022	Bal b/d	<u>300,000</u>
			31/2/2023	Profit or loss (Wk 2)	<u>215,000</u>
31/2/2024	Profit or loss (Wk 3)	155,000	1/4/2023	Bal b/d	<u>515,000</u>
31/2/2024	Bal c/d	<u>360,000</u>	1/4/2024		
		<u>515,000</u>			<u>515,000</u>

NEWTON BUSINESS HUB WORKING NOTES

Wk 1: Calculation of allowance for doubtful receivables as at March 31, 2022

	N'000
Trade receivables as per a/c	<u>6,000,000</u>
Allowance for doubtful receivables @ 5%	<u>300,000</u>

Wk 1: Calculation of allowance for doubtful receivables as at March 31, 2022

	N'000
Trade receivables as per a/c	<u>10,000,000</u>
Allowance for doubtful receivables at the end of the year @ 5%	<u>515,000</u>
Allowance for doubtful receivables at the beginning of the year (Wk 1)	<u>(300,000)</u>
	<u>215,000</u>

Wk 1: Calculation of allowance for doubtful receivables as at March 31, 2022

	N'000
Trade receivables as per a/c	<u>7,200,000</u>
Allowance for doubtful receivables at the end of the year @ 5%	360,000
Allowance for doubtful receivables at the beginning of the year (Wk 2)	<u>515,000</u>
	<u>(155,000)</u>

Examiner's comment

The question tests candidates' knowledge on control account; particularly trade Receivables, Bad debts and allowances for doubtful receivables accounts.

About 25% of the candidates attempted the question and their performance was poor.

The candidates' major pitfall was their poor understanding of the question's requirements.

Candidates are advised to prepare well for the future examination.

SOLUTION 6

- a. i. The following are the characteristics of an asset:
- It must be a resource controlled by an entity;
 - It must arise as a result of past event;
 - Future economic benefits are expected to be derived by the entity from the asset;
 - It must have a cost or value attached to it, which can be measured reliably
- ii. The following are characteristics of a liability:
- It is present obligation of an entity, which arises from past events;
 - The settlement of a liability is expected to result in an outflow from the entity of resources embodying economic benefits;
 - The liability must be able to measure with reliability by the entity
- iii. The following are the characteristics of equity:
- It is the residual interest in the assets of an entity, after deducting all its liabilities;
 - It is the stake of the owner(s) in an entity;
 - It is a permanent source of funding for an entity, as it does not require regular repayments
- b. i. The following are features of non-current assets:
- They are acquired for the long-term needs of the business, typically lasting more than one year;
 - They are not acquired with the intention of reselling them in the short term;
 - They are utilised, either directly or indirectly, to generate revenue for the entity;
 - They are not easily or quickly convertible into cash, that is, they are not liquid assets;
 - they are shown on the statement of financial position or an entity, separate from current assets;
 - Tangible non-current assets are subject to depreciation, while intangible non-current assets are subject to amortisation, over their expected useful life;
 - They are assets of permanent in nature

- ii. Examples of current assets of a business entity may include the following:
- Inventory
 - Trade receivables
 - Prepayments
 - Accrued revenue
 - Cash in hand
 - Cash in bank
 - Short term investment
 - Bill receivables

Examiner's comment

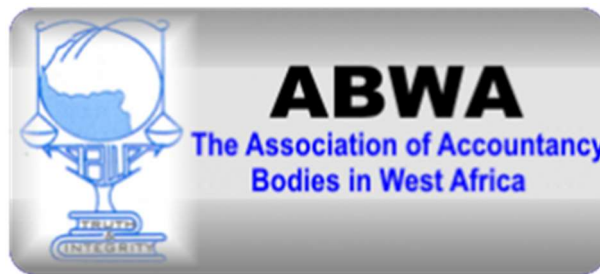
The question test candidates' knowledge on the understanding of accounting terms contained in the conceptual framework of the International Accounting Standards Board (IASB), such as Asset, liability and Equity in part (a) of the question, while it tests their knowledge on the features of non-current assets and to give examples of current assets.

About 65% of the candidates attempted the question and their performance was above average.

The observed candidates' major pitfall was their poor understanding of fundamental of accounting terms.

Candidates are advised to prepare well and consult widely before sitting for future ATSWA examination.

THE ASSOCIATION OF ACCOUNTANCY BODIES IN WEST AFRICA



**ACCOUNTING TECHNICIANS SCHEME, WEST AFRICA
SEPTEMBER 2025 EXAMINATIONS (PART I)**

ECONOMICS

PLEASE READ THESE INSTRUCTIONS BEFORE COMMENCEMENT OF THE PAPER

EXAMINATION INSTRUCTIONS

1. All solutions should be in ink. Any solution in pencil will not be marked.
2. Read all instructions on each part of the paper carefully before answering the questions.
3. Ensure that you do not answer more than the number of questions required for **Section B (The Essay Section)**.
4. Check your pockets, purse and mathematical sets, etc, to ensure that you do not have prohibited items such as telephone handset, electronic storage device, wrist watches, programmable devices or any form of written material on you in the examination hall. You will be stopped from continuing with the examination and liable to further disciplinary actions including cancellation of examination result if caught.
5. Do not enter the hall with anything written on your docket.
6. Insert your examination number in the space provided above.

WEDNESDAY, SEPTEMBER 24, 2025

DO NOT TURN OVER UNTIL YOU ARE TOLD TO DO SO

THE ASSOCIATION OF ACCOUNTANCY BODIES IN WEST AFRICA
ACCOUNTING TECHNICIANS SCHEME, WEST AFRICA
PART I EXAMINATIONS –SEPTEMBER 2025

ECONOMICS

Time Allowed: 3 hours

SECTION A: PART I MULTIPLECHOICE QUESTIONS (30 MARKS)

ATTEMPT ALL QUESTIONS IN THIS SECTION

Write ONLY the alphabet (A, B, C, D or E) that corresponds to the correct option in each of the following questions/statements.

1. Aset of economic prepositions about “What ought to be” rather than “What it is” belongs to
 - A. economics policy
 - B. normative economics
 - C. positive economics
 - D. informative economics
 - E. political economics

2. Macro economics deals with which of the following?
 - A. Inflation, Unemployment and Balance of Payments
 - B. Cost structure of firms, market failure and GDP
 - C. Money and monetary institutions, price and exchange rate
 - D. Demand, supply and price
 - E. Government expenditure, Balance of payment and demand

3. In economics, disequilibrium is a situation in which
 - A. there is no inherent tendency to change
 - B. quantity demanded equals quantity supplied
 - C. the market clears itself and becomes stable
 - D. the market experiences either shortage or glut
 - E. the market experiences uncertainty

4. In a supply and demand diagram, total producer surplus is the triangular area
 - A. below the supply curve and above the price
 - B. above the demand curve and below the price
 - C. above the supply curve and below the price
 - D. below the demand curve and above the price
 - E. in between the demand and supply curves

5. If the price of the good falls, the producer moves downwards along the supply curve and sells less of the good. This is called of that good.
- A. change in supply
 - B. decrease in the quantity supplied
 - C. expansion in supply
 - D. decrease in the supply
 - E. change in both demand and supply
6. When total utility is at maximum, marginal utility is
- A. Increasing at an increasing rate
 - B. Increasing at a decreasing rate
 - C. A positive constant
 - D. Zero
 - E. Negative constant
7. The school of thought which believes that numerical values can be assigned to utility measurement is known as the
- A. Ordinal school of thought
 - B. Cardinal school of thought
 - C. Rational school of thought
 - D. Normal school of thought
 - E. Indifference curve approach
8. The process of removing or reducing government restrictions to improve business operations in a particular industry is
- A. Privatisation
 - B. Deregulation
 - C. Commercialisation
 - D. Subsidisation
 - E. Indigenisation
9. Which of the following is **NOT** an advantage of division of labour?
- A. Increase in efficiency
 - B. Increases total productivity
 - C. Effective time management
 - D. Increases costs per unit of production
 - E. Enhances skills acquisition and innovation

10. Suppose the total cost function of a firm is $TC = 5 + q^2$ and the revenue function is $TR = 24q - 3q^2$. What is the maximising output unit?
- A. 3
 - B. 6
 - C. 8
 - D. 12
 - E. 14
11. A surplus income earned by a factor of production in the short run is
- A. Economic rent
 - B. Quasi-rent
 - C. Capital gain
 - D. Net profit
 - E. Real
12. At the output levels when total product is falling, the
- A. Average product is zero
 - B. Marginal product is zero
 - C. Marginal product is negative
 - D. Average product is negative
 - E. Marginal product is greater than average product
13. Oligopoly
- A. is the opposite of duopoly
 - B. Features many firms with equal market control
 - C. Is characterised by competition through product differentiation
 - D. Does not exist in reality
 - E. is a marketing perfect competition
14. The market structure in which the operators are many and none of them can influence the market price is
- A. imperfect market
 - B. Perfect market
 - C. oligopolistic market
 - D. stock market
 - E. duopolistic market

15. Kinked demand curve is associated with
- perfect competition
 - monopolistic competition
 - monopoly
 - duopoly
 - oligopoly
16. The addition of net factor income from abroad to gross domestic product converts it to
- Net National Product
 - Gross National Product
 - National Income
 - Personal Income
 - Real Income
17. The type of demand that exists between Torchlight and Battery is
- competitive demand
 - complementary demand
 - composite demand
 - independent demand
 - dependent demand
18. The GNP price index is computed as
- $\frac{\text{Nominal GNP}}{\text{Real GNP}} \times 100$
 - $\frac{\text{Real GNP}}{\text{Nominal GNP}} \times 100$
 - $\frac{\text{GNP deflator}}{\text{Real GNP}} \times 100$
 - $\frac{\text{Nominal GNP}}{\text{GNP deflator}} \times 100$
 - $\frac{\text{GNP deflator}}{\text{Nominal GNP}} \times 100$
19. A form of loan **NOT** granted by Deposit Money Bank is
- short-term loans
 - medium-term loans
 - long-term loans
 - syndicated loans
 - overdraft

20. One of the functions of the Deposit Money Bank that can lead to an increase in the money supply is
- A. safekeeping of valuable assets
 - B. creation of demand-deposit money
 - C. equipment leasing
 - D. provision of brokerage services
 - E. provision of foreign exchange services
21. The following are the financial institutions that form the money market, **EXCEPT**
- A. Central Bank
 - B. Deposit Money Banks
 - C. Discount houses
 - D. Finance houses
 - E. Microfinance bank
22. Which of the following holds **TRUE** for an indirect tax?
- A. The tax is levied on wealth
 - B. Points of impact and incidence are different
 - C. The tax is levied on property
 - D. Points of impact and incidence are the same
 - E. It can easily be evaded
23. To discourage the consumption of harmful commodities, government should tax such commodities if they have
- A. Elastic demand
 - B. inelastic demand
 - C. negative demand
 - D. positive demand
 - E. unitary demand
24. An annual financial statement of the government in which the receipts fall short of its expenditure is known as
- A. surplus budget
 - B. deficit budget
 - C. balanced budget
 - D. supplementary budget
 - E. multiple budget

25. Who among the following will benefit from inflation?
- A. Pensioners
 - B. Savers
 - C. Debtors
 - D. Creditors
 - E. Fixed salary earner

Use the table below to answer question 26 and 27

Nation	Crude oil (units)	Cocoa(units)
Nigeria	20	10
Ghana	10	20

26. From the table above, which country has an absolute advantage in cocoa?
- A. Nigeria
 - B. Ghana
 - C. Liberia
 - D. Togo
 - E. Benin
27. Opportunity cost of producing 1 unit of crude oil in Nigeria is
- A. 2 units of cocoa
 - B. 1 unit of cocoa
 - C. 0.5 unit of cocoa
 - D. 5 units of cocoa
 - E. 3 units of cocoa
28. Which of these is **NOT** an assumption of the theory of absolute advantage?
- A. Constant returns to scale
 - B. No transport costs
 - C. Immobility of factors within a nation
 - D. Full employment of resources
 - E. Real values measured in physical units

29. The IMF was established to
- A. replace the World Bank
 - B. control global population growth
 - C. fund military operations
 - D. promote international monetary cooperation and stability
 - E. manage natural resources
30. Which of the following is **NOT** a determinant of economic growth?
- A. Capital accumulation
 - B. Technological progress
 - C. Growth rate of labour force
 - D. Unemployment growth rate
 - E. Endowed natural resources

SECTION A: PART II SHORT ANSWER QUESTIONS (20 MARKS)

ATTEMPT ALL QUESTIONS

Write the correct answer that best completes each of the following questions/statements.

1. The study of the activities of individual firms, industries and consumers is the subject matter of the branch of economic theory is known as.....
2. An increase in subsidies and reduction of taxes will shift the supply curve to the
3. If the fall in price leads to a rise in quantity bought but also consequently leads to a fall in total revenue, the demand for the commodity is.....
4. The slope of indifference curve is known as
5. If the total cost (N) function for producing 5 units of a particular product is estimated as $TC = 45 + 30q$, the average fixed cost is
6. The demand curve for a perfectly competitive firm is
7. The excess of total revenue over total cost is
8. A group of firms that have entered into a collusive agreement to restrict output to increase prices and profit is known as

9. A firm operating in a Market makes abnormal profit in the short run and in the long run.
10. The total demand of all households, businesses, government, and foreign buyers of goods and services produced in the economy is called.....
11. The extent of change in consumption expenditure with respect to a change in disposable income is measured by
12. The portion of the curve where demand for money becomes perfectly income elastic is
13. The equation that explains the linear relationship between the price level and money supply is.....
14. The principle of taxation which supports the distribution of tax burden in accordance with the size of government services enjoyed or the amount of public goods consumed by an individual is.....
15. In tax administration, the object being taxed is referred to as
16. Money becomes poor store of value during
17. Selling goods in foreign countries below their cost of production at home is referred to as
18. The ratio of export price index to import price index multiplied by 100 is termed as
19. ECOWAS was established in the yearunder the Treaty of Lagos.
20. Official head count of people living in a geographical area with a view to collecting demographic data is called

SECTION B:**ESSAY QUESTIONS****(50 MARKS)****PART I:****MICROECONOMICS****ATTEMPT ANY TWO QUESTIONS****QUESTION 1**

- (a) With the aid of a well-labelled diagram, distinguish clearly between budget line and indifference curve. (7½ Marks)
- (b) Calculate the values of A, B, C, D and E and complete the following table:

Units of quantity consumed	Total utility	Marginal utility
0	0	-
1	A	10
2	15	B
3	17	C
4	18	D
5	18	E

(5 Marks)

(Total 12½ Marks)**QUESTION 2**

- (a) Define the concept of 'Division of labour'. (2 Marks)
- (b) State and explain **FOUR** advantages and **THREE** disadvantages of division of labour. (10½ Marks)

(Total 12½ Marks)**QUESTION 3**

ZeeTee, a producer of toothpaste has the following total cost (TC) and total revenue (TR) functions:

$$TC = 50 + 20q$$

$$TR = 100q - 4q^2$$

Where q = output level

Required:

- (a) i. Derive the marginal cost (MC) function (1 Mark)
 ii. Derive the marginal revenue (MR) function (1 Mark)
 iii. Calculate the profit maximising output level (3 Marks)
 iv. Determine the profit maximising selling price (3½ Marks)
- (b) Assuming the firm described above is operating in a perfectly competitive market, state **FOUR** conditions it must satisfy. (4 Marks)

(Total 12½ Marks)**PART II:****MACRO ECONOMICS****ATTEMPT ANY TWO QUESTIONS****QUESTION 4**

- (a) Explain the following concepts: Gross Domestic Product (GDP), Gross National Product (GNP) and Net National Product (NNP). (4½ Marks)
- (b) The following data relates to a hypothetical economy:

	₦ billion
Income from employment	162.4
Indirect business taxes	14.5
Gross capital formation (investment)	63.2
Transfer payments	11.0
Government final consumption expenditure	58.7
Export of goods and services	15.0
Private consumption expenditure	186.1
Subsidies	12.4
Personal taxes	38.5
Import of goods and services	17.2
Consumption of fixed capital	10.5
Net factor income from abroad	-1.3

Required:

Compute (i) GDP, (ii) GNP, (iii) NNP, and (iv) NI for the economy. (8 Marks)

(Total 12½ Marks)

QUESTION 5

- (a) State **TWO** advantages and **TWO** disadvantages of international trade in developing economies. Support your answer with practical examples.
(8 Marks)
- (b) Briefly discuss the **THREE** components of the Balance of Payments (BOP).
(4½ Marks)
- (Total 12½ Marks)**

QUESTION 6

- (a) Explain the term Population census.
(2 Marks)
- (b) State **THREE** uses of population census information.
(4½ Marks)
- (c) Identify and explain **THREE** problems of census in West African countries.
(6 Marks)
- (Total 12½ Marks)**

SECTION A: PART I

MULTIPLE CHOICE SOLUTIONS

1. B
2. A
3. D
4. C
5. B
6. D
7. B
8. B
9. D
10. A
11. B
12. C
13. C
14. B
15. E
16. B
17. B
18. A
19. C
20. B
21. E
22. B
23. A
24. B
25. C
26. B
27. C
28. C
29. D
30. D

Examiner's comment

The questions in this part were selected from all topics in the syllabus. It is compulsory for the candidates. All candidates attempted the questions, and performance was fair with over 50% scoring over average, that is, 15 marks out of 30 marks. Effective coverage of the entire syllabus is required for candidates to score well in this part of the paper.

SECTION A: PART II

SHORT ANSWER SOLUTIONS

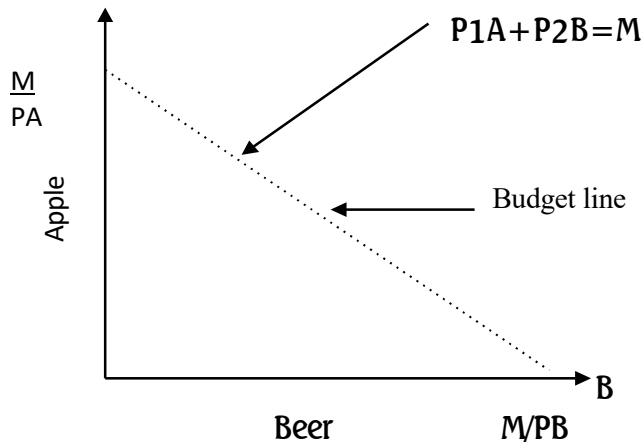
1. Microeconomics
2. Right
3. Inelastic
4. Marginal Rate of Commodity Substitution (MRCS) or Marginal Rate of Substitution (MRS)
5. $AFC = \frac{TFC}{Q} = \frac{45}{5} = 9$
6. Horizontal/Perfectly elastic
7. Profit
8. Cartel
9. Monopoly
10. Aggregate demand/expenditure
11. Marginal propensity to consume (MPC)
12. Liquidity trap
13. Equation of Exchange/Fisher's Equation/Quantity theory of money
14. Benefit principle
15. Tax base
16. Inflation
17. Dumping
18. Terms of trade
19. 1975
20. Population census

Examiner's comment

This part of the paper is equally compulsory. The questions were fairly selected from both branches of Economics- Microeconomics and Macroeconomics. Candidates' performance in this part was rather abysmal, less than average as some questions were not answered correctly due to technicality, most especially questions 3, 5, 8, 10, 12, 13, 14 and 19 respectively. Candidates require a good understanding of all topics in the syllabus to be able to score a pass mark in this section. Less than 50% of candidates scored pass mark in this section.

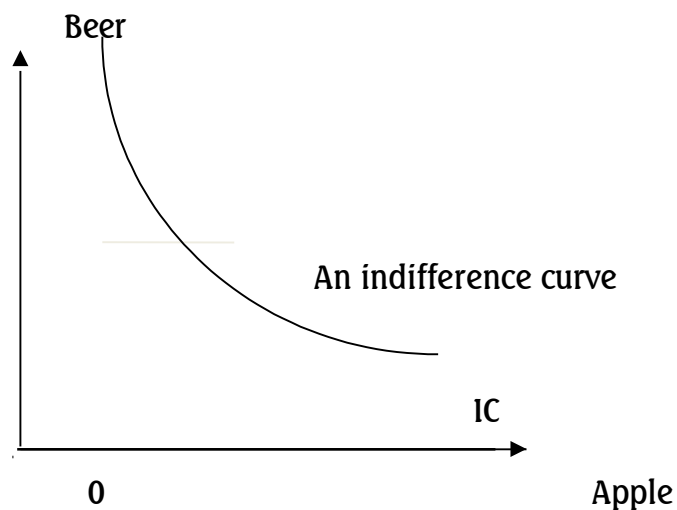
SOLUTION 1

- a) A budget line shows different combinations of two goods that the consumer can afford, given his money income and market prices of the two goods.



The above budget line is drawn on the assumption that the consumer's income is M , unit price per apple is P_1 , and unit price of beer P_2

An indifference curve, on the other hand, joins together all points representing different combinations of two goods which yield the same utility to the consumer.



An indifference curve is illustrated in the above diagram.

b) Using the table below, solve for the marginal utility in the table

Units of quantity consumed	Total utility	Marginal utility
0	0	-
1	10 - A	10
2	15	5 - B
3	17	2 - C
4	18	1 - D
5	18	0 - E

To calculate A (TU)

Workings

$$MU_1 = \frac{TU_1 - TU_0}{Q_1 - Q_0}$$

But $MU_1 = 10$ and $TU_1 = A$

$$10 = \frac{A - TU_0}{Q_1 - Q_0} = \frac{A - 0}{1 - 0} = A$$

$$A = 10$$

$$MU_2 = B = \frac{TU_2 - TU_1}{Q_2 - Q_1} = \frac{15 - 10}{2 - 1} = 5$$

$$MU_3 = C = \frac{TU_3 - TU_2}{Q_3 - Q_2} = \frac{17 - 15}{3 - 2} = 2$$

$$MU_4 = D = \frac{TU_4 - TU_3}{Q_4 - Q_3} = \frac{18 - 17}{4 - 3} = 1$$

$$MU_5 = E = \frac{TU_5 - TU_4}{Q_5 - Q_4} = \frac{18 - 18}{5 - 4} = 0$$

Examiner's comment

This question tested candidates' knowledge of basic microeconomics in the theory of consumer behaviour. Specifically, the concept of budget line and indifference curve. The second part dwells on the utility theory. Attempt on this question was not impressive as 80% attempted the question and those that attempted the question did not demonstrate a good understanding and the technicality of the question, most especially 1a. Therefore, the performance here was below average.

SOLUTION 2

a) Division of labour can be defined as the process of dividing a production process into a number of smaller tasks for each task to be undertaken by a different worker. It may also be referred to as *specialization* because each worker specializes in doing only one task thereby producing a part of the product as against producing the whole product.

b) **Advantages of division of labour include the following:**

- i. **Development of Greater Skill by the Worker.** In division of labour, each worker specializes in doing only one task. By repeating the same task again and again, the worker develops greater skill in it and becomes a specialist in the task.
- ii. **Increase in Productivity.** Division of labour leads to increased productivity of the worker. By developing a greater skill and becoming a specialist in what the worker does increases the productivity of the worker and production as a whole.
- iii. **Saving of Time.** The time that would have been wasted by each worker moving around to change tasks and tools is saved when division of labour is practiced.
- iv. **Increased use of Machines and Equipment.** In division of labour, because the production process is broken up into smaller units of tasks and each worker routinely performs one task, machines or equipment may be used to perform the task. It is easier to develop machines and equipment to perform only a single and simple task than several and complex task.
- v. **Mass Production at decreasing cost.** Division of labour has led to mass production arising from increased productivity. This brings down the unit cost and cheaper selling price.

c) **Disadvantages of Division of Labour**

i. **Lack of Craftsmanship.**

Division of labour does not make workers craftsmen. They are trained to be producers of only parts of products rather than producers of whole products. That is, each worker cannot claim the knowledge of all the processes used to produce a product.

ii. **Monotony of Work.**

Performing the same task all the time and, over and over again may create boredom on the part of workers. It may also be unchallenging and in turn kill workers' initiatives.

iii. **Over-dependence among Workers.**

Indivision of labour, there is total dependence of a worker on other workers. The task performed by each worker is key to the production process to the extent that the absence from work of a worker may halt production

iv. **Redundancy of Workers.**

In division of labour, a worker may be rendered redundant whenever his/her skill is no longer needed. Because he/she is a specialist in the performance of one task, transferring him/her to perform another task becomes a problem.

v. **Dumping of Mass Produced Goods.**

Division of labour has led to mass production of certain goods and brought about dumping of such goods in other countries to kill domestic production in countries where the goods have been dumped.

Examiner's comment

This question tested candidates' knowledge in the production process of microeconomics. The issue of division of labour was extensively examined as candidates were expected to explain the advantages and disadvantages of division of labour. This question had 100% attempted rate and more than 95% got the question rightly. However, a few numbers of the candidates did not explain the (b) part which reduced their marks.

SOLUTION 3

a) (i) $MC = \frac{\partial TC}{\partial q} = 20$

(ii) $MR = \frac{\Delta TR}{\Delta q} = 100 - 8q$

(iii) Profit is maximised when $MC = MR$

$$20 = 100 - 8q$$

$$20 = 100 - 8q$$

$$-80q = -8q$$

$$Q = \frac{80}{-8} = 10 \text{ units}$$

(iv) Profit maximising selling price = AR

Profit Maximising selling price is the selling price when 10 units are sold

$$P=AR=\frac{TR}{q}=\frac{100q-4q^2}{q}=100-4q$$
$$=100-4(10)=100-40=\text{N}60$$

b) **Conditions for perfect competition are:**

- i. Large number of buyers and sellers
- ii. Product sold in the market are homogeneous
- iii. Perfect mobility of factors of production
- iv. Perfect Knowledge of the market variables
- v. No preferential treatment in buying and selling
- vi. Free exit and entrance of goods into and outside the market
- vii. The firm is a price taker.

Examiner's comment

This question tested candidates' knowledge in the area of costs, revenue and profit maximization of firms. Most candidates avoided this question because of the calculations as only about 30% attempted it. Candidates got the 3a (i) rightly but 3a(ii), (iii) and 3a(iv), that is, questions on marginal revenue and profit maximization were not answered correctly. Therefore, performances were not impressive as those that attempted the question scored below average.

SOLUTION 4

a) i. **Gross Domestic Product (GDP)**

This is the market value of all final goods and services currently produced within the geographical territory of a country in a year. The computation of GDP excludes all forms of imports.

ii. **Gross National Product (GNP)**

This is the market value of all final goods and services produced by the nationals (citizens) of a country within and outside the country's geographical domain during a year.

GNP is computed as:

$$GNP = GDP + \text{FIFA}_n$$

Where FIFA_n is Net Factor Income from Abroad

iii. **Net National Product (NNP)**

This is the total value of new goods and services available to the economy in a given year.

NNP is obtained as:

$$\text{NNP} = \text{GNP} - \text{CCA}$$

Where CCA is the Capital Consumption Allowance.

The values of GDP, GNP, NNP & NI

	N billion
Private consumption expenditure	186.1
Gross capital formation (investment)	63.2
Government final consumption expenditure	58.7
Net export of goods and services	<u>- 2.2</u>
<i>Gross Domestic Product (GDP)</i>	<i>305.8</i>
Less net factor income from abroad	<u>1.3</u>
<i>Gross National Product (GNP)</i>	<i>304.5</i>
Less consumption of fixed capital	<u>10.5</u>
Net National Product (NNP)	294.0
Less net indirect business taxes	<u>- 2.1</u>
<i>NATIONAL INCOME</i>	<i><u>291.9</u></i>

Alternatively,

- b) i. $\text{GDP} = \text{C} + \text{I} + \text{G} + (\text{X} - \text{M})$
 $= 186.1 + 63.2 + 58.7 + (15.0 - 17.2)$
 $= \text{N}305.8 \text{ billion}$
- ii. $\text{GNP} = \text{GDP} + \text{Net factor income from abroad}$
 $= 305.8 + (-1.3)$
 $= \text{N}304.5 \text{ billion}$
- iii. $\text{NNP} = \text{GNP} - \text{Depreciation (Consumption of fixed capital)}$
 $= 304.5 - 10.5$
 $= \text{N}294 \text{ billion}$
- iv. $\text{NI} = \text{NNP at factor cost} = \text{NNP} - \text{Indirect business taxes} + \text{Subsidies}$
 $= 294 - 14.5 + 12.4$
 $= \text{N}291.9 \text{ billion}$

Examiner's comment

This question examines candidates' knowledge of the national income in the macroeconomics division of economics. It examines the methods of computing the national income estimates of an economy and most especially the product/output method. More than 90% attempted this question. However, their answers to 4(a) and 4(b) were not given correctly. Hence the performance here was low as the candidates did not understand the technicality of the questions.

SOLUTION 5**Advantages of international trade in developing economies:****1. Increase in total world production of goods and services**

International trade based on comparative cost advantage allows developing countries to specialise in what they can produce most efficiently. For example, Nigeria exports crude oil while importing machinery from Germany. This specialisation increases global output.

2. It leads to efficiency in the use of world resources

Trade ensures that each country uses its resources in the most efficient way, by concentrating on goods where it has relative advantage. For instance, Côte d'Ivoire focuses on cocoa production, while it imports cars from Japan.

3. It leads to availability of a variety of goods and services

Citizens of developing economies can consume goods that their domestic resources cannot produce competitively. For example, Ghana imports cars and mobile phones from Asia, while exporting cocoa.

4. International trade leads to economies of scale

Firms in developing economies that produce for export can expand output, reduce unit costs, and benefit from economies of scale. For instance, Ethiopia's coffee industry has grown significantly due to large-scale production for export markets.

5. International trade promotes interdependence

It fosters interdependence, which can enhance diplomatic and political ties between nations. For example, trade between Nigeria and China not only improves economic ties but also strengthens political cooperation.

Disadvantages of International Trade in Developing Economies

1. It may lead to collapse of infant industries

Small-scale firms in developing economies often produce a high cost and may not be able to compete with cheap imports. For example, the textile industry in Nigeria suffered decline due to cheaper imported textiles from Asia.

2. It may lead to excessive interdependence

Heavy reliance on imports makes developing economies vulnerable in times of international crises or trade disputes. For instance, during tensions between Nigeria and Ghana, Nigeria could restrict crude oil exports, harming Ghana's energy supply.

3. It may lead to unemployment

The collapse of infant industries due to foreign competition often leads to loss of jobs. For example, closure of local assembly plants in Nigeria after the influx of cheaper imported vehicles increased unemployment.

4. Dumping of goods

Dumping occurs when foreign producers sell goods abroad at prices below their production costs, undercutting local producers. For instance, cheap imported frozen chicken into West African markets has undermined local poultry farmers.

a. The three main components of the balance of payment:

i. The Current Account

The current account is the account captures three main transactions: the merchandise imports and exports, Services imports and exports and unilateral transfers. Merchandise imports and exports are also referred to as visible trade and services imports and exports and unilateral transfers dubbed invisible trade.

ii. The Capital Account

The capital account deals with long and short-term capital movements between countries. The capital account record transactions such as the purchase of share in foreign countries, other long-term securities, and the establishment of business in foreign countries or the reporting country.

iii. **Official Reserve Account**

This component of the balance of payment accounts shows how the balance of both current and capital accounts are settled. Transaction in this section is called accommodating transaction, because the funds are moved to make the balance of payments balance. When the net balance on the current and capital accounts is in deficit, the deficit must be settled with an equal net credit in the official reserve account and vice versa

Examiner's comment

This question examines candidates' knowledge of international trade. It tested basically the advantages and disadvantages derived by a developing economy involved in international trade and the components of the balance of payments (BOPs). This question was attempted by at least 50%. There was a good understanding of the question, most especially 5a, as most of the candidates got it rightly. The candidates' performance was above average.

SOLUTION 6

(a) **A population census** is the head count of people living in a geographical area or in a country. A population census collects comprehensive data on people to know e.g. sex, age, educational and occupational backgrounds, religious affiliation, nationality etc.

(b) Uses of population census information

- i. It is used to determine the size and the growth rate of the population in a country. This helps the government in planning for education, transportation, health etc
- ii. It helps authorities to have adequate and relevant data. These data include the size, composition, distribution of population etc. These data aid the planners of the economy to forecast the future needs of the country.
- iii. Data provided by population census help in the allocation of resources to the various regions and states of the country.
- iv. It provides data for demographic studies.

(c) Problems of census in West Africa countries.

- i. **High Cost of Census:** Censuses are supposed to be conducted at a 10 year interval. The high cost of conducting census has made it impossible for West African countries to conduct censuses at regular intervals.

- ii. **Bad town planning and inaccessibility of some areas:** In many developing countries street and houses are not properly numbered. This makes it difficult for census officials to locate people for enumeration.
- iii. **Shortage of census officers:** In many developing countries there are very few qualified census officers. During census all kinds of people are used without any proper training. This makes census figures inaccurate.
- iv. **Customary beliefs:** Certain beliefs in West Africa work against census. In certain cultures people are not counted.
- v. **Religious belief/Practice:** Some people use religion, e.g. Islam to prevent actual headcount in some areas which affect reliability of data provided.

Examiner's comment

This question examines candidates' knowledge in the area of economic growth and development, most specifically, population census. Virtually all candidates attempted this question. There was a good understanding of the question, most especially 5a, as most of those that attempted this got it rightly and scored above average.

General Remarks

Candidates' performance in general could be rated as above average, as over 60% of candidates passed in this subject. The use of the Institute's study pack and INSIGHT is again recommended for the use of candidates to improve their performance in the future.

THE ASSOCIATION OF ACCOUNTANCY BODIES IN WEST AFRICA



**ACCOUNTING TECHNICIANS SCHEME, WEST AFRICA
SEPTEMBER 2025 EXAMINATIONS (PART I)**

BUSINESS LAW

PLEASE READ THESE INSTRUCTIONS BEFORE COMMENCEMENT OF THE PAPER

EXAMINATION INSTRUCTIONS

1. All solutions should be in ink. Any solution in pencil will not be marked.
2. Read all instructions on each part of the paper carefully before answering the questions.
3. Ensure that you do not answer more than the number of questions required for **Section B (The Essay Section)**.
4. Check your pockets, purse and mathematical sets, etc, to ensure that you do not have prohibited items such as telephone handset, electronic storage device, wrist watches, programmable devices or any form of written material on you in the examination hall. You will be stopped from continuing with the examination and liable to further disciplinary actions including cancellation of examination result if caught.
5. Do not enter the hall with anything written on your docket.
6. Insert your examination number in the space provided above.

TUESDAY, SEPTEMBER 23, 2025

DO NOT TURN OVER UNTIL YOU ARE TOLD TO DO SO

**THE ASSOCIATION OF ACCOUNTANCY BODIES IN WEST AFRICA
ACCOUNTING TECHNICIANS SCHEME, WEST AFRICA
PART I EXAMINATIONS – SEPTEMBER 2025**

BUSINESS LAW

Time Allowed: 3 hours

SECTION A: PART I MULTIPLE CHOICE QUESTIONS (30 MARKS)

ATTEMPT ALL QUESTIONS

Write ONLY the alphabet (A, B, C, D or E) that corresponds to the correct option in each of the following questions/statements

1. The supreme law of Nigeria is
 - A. Sharia law
 - B. customary law
 - C. the Constitution
 - D. municipal law
 - E. presidential law

2. The minimum number of designated partners in a Limited Liability Partnership is
 - A. two
 - B. ten
 - C. fifteen
 - D. twenty
 - E. twenty-five

3. An agreement for which the law would presume that the parties have no intention to create legal relations is a
 - A. contract of insurance
 - B. contract of sale
 - C. contract of hire purchase
 - D. contract of lease
 - E. domestic contract

4. A consideration that comes after the conclusion of a contract is
 - A. past consideration
 - B. late consideration
 - C. mistaken consideration
 - D. gratuitous consideration
 - E. antecedent consideration
5. Which of the following could vitiate an otherwise valid contract so as to make it to be unenforceable?
 - A. Negotiation
 - B. Incapacitation
 - C. Delay
 - D. Misrepresentation
 - E. Consideration
6. The court that has exclusive jurisdiction to adjudicate on matters relating to the revenue of the Federal Republic of Nigeria is the
 - A. State High Court
 - B. Customary Court
 - C. Immigration Court
 - D. Court of Appeal
 - E. Federal High Court
7. The principle of separate legal personality of a registered company was established in the locus case of
 - A. Foss v. Harbottle
 - B. Salomon v. Salomon
 - C. Carlil v. Carbollic smoke bull company
 - D. Coca-Cola v. Nigerian Bottling Company
 - E. Maja v. U.A.C
8. The instruction given by a customer to his banker to stop the payment of a cheque he issued in favour of a third party is a/an
 - A. countermand
 - B. suspension order
 - C. delay order
 - D. holding order
 - E. remedial order

9. The remedy of a seller against the goods that are on their way for delivery to the buyer in a sale of goods contract is
- A. Action for price
 - B. Stoppage in transitu
 - C. Specific performance
 - D. Injunction
 - E. Quantum meruit
10. Which of the following is a remedy for torts?
- A. Fine
 - B. Damages
 - C. Imprisonment
 - D. Banishment
 - E. Corporal punishment
11. The person who carries out the instructions of a testator in his will is the
- A. Administrator
 - B. Executor
 - C. Bailiff
 - D. Probate
 - E. Legislator
12. Which of the following is a classification of mergers in the Federal Competition and Consumer Protection Act, 2018?
- A. Vertical merger
 - B. Horizontal merger
 - C. Intermediate merger
 - D. Small merger
 - E. Inchoate merger
13. A person who is entrusted with the personal data of a data subject owes the data subject a duty of
- A. care
 - B. accuracy
 - C. faithfulness
 - D. trust
 - E. obedience

14. The period of trial used by an employer to determine or evaluate the suitability of the worker for a job is
- A. interdiction
 - B. probation
 - C. suspension
 - D. supervision
 - E. evaluation
15. In a hire purchase contract, consideration consists of
- A. instalments
 - B. subrogation
 - C. premium
 - D. nominal value
 - E. maximum Value
16. The principle of law that allows the insurer to stand in the position of the insured to enforce a right against the third party is
- A. interdiction
 - B. subrogation
 - C. doubling
 - D. vicariousness
 - E. undertaking
17. The agency that arises in emergencies or situations of urgent commercial need, which enable a person to act to safeguard the interest of another is agency of
- A. ratification
 - B. estoppel
 - C. necessity
 - D. authority
 - E. appointment
18. The remedy for a breach of warranty in a sale of goods contract is
- A. repudiation of the contract
 - B. rescission of the contract
 - C. cancellation of the contract
 - D. avoidance of the contract
 - E. damages

19. The Corporate Affairs Commission is the
- A. Agent of the Federal High Court
 - B. Partner of the Federal Ministry of Commerce
 - C. Body that registers companies in Nigeria
 - D. Authorised issuer of banking licence in Nigeria
 - E. Minor Administrative Court
20. Which of the following partnerships is an exception to the rule that the maximum membership must not exceed twenty?
- A. Partnership of farmers
 - B. Partnership of traders
 - C. Partnership of chartered accountants
 - D. Partnership of engineers
 - E. Partnership of tailors
21. The person who is in possession of a bill of exchange is the
- A. Possessor
 - B. Bearer
 - C. Drawer
 - D. Drawee
 - E. Payee
22. Which of the following is **NOT** an offence under the Cybercrimes Prevention Act?
- A. Phishing
 - B. Cyberstalking
 - C. Identity theft
 - D. Cyber bullying
 - E. Phone theft
23. The general principle of contract that makes only the parties to a contract to sue and be sued under the contract is
- A. privity
 - B. participation
 - C. patronage
 - D. privacy
 - E. purity

24. Which of the following contracts is binding on an infant?
- A. Contract of employment
 - B. Contract for purchase of goods
 - C. Contract for necessities
 - D. Executed contract
 - E. Executory contract
25. A company that is unable to pay its debt that exceeds the threshold provided for by the Companies and Allied Matters Act (as amended by the Business Facilitation (Miscellaneous Provisions) Act, 2023), after a demand for such has been made is said to be
- A. indebted
 - B. insolvent
 - C. floating
 - D. broke
 - E. distressed
26. A trust that is created by an individual either *inter vivos* or by a will is called a/an
- A. public trust
 - B. living trust
 - C. individual trust
 - D. private trust
 - E. instrument trust
27. Who of the following is qualified to be a Secretary of a public company?
- A. A chartered arbitrator
 - B. A chartered accountant
 - C. A jobber
 - D. A chartered broker
 - E. A permanent secretary
28. The transfer of a bill of exchange from one person to another is
- A. transferability
 - B. transference
 - C. transmission
 - D. negotiation
 - E. exchange

29. The method of resolving disagreements between parties without resorting to litigation is
- A. alternative dispute resolution
 - B. adjudication
 - C. prosecution
 - D. lawsuit
 - E. resolution
30. Which of the following is a legal ground for termination of a contract of employment?
- A. Redundancy
 - B. Labour dispute
 - C. Apprenticeship
 - D. Policy disagreement
 - E. Gender

SECTION A: PART II

SHORT ANSWERS QUESTIONS

(20 MARKS)

ATTEMPT ALL QUESTIONS

Write the correct answer that best completes each of the following questions/statements.

1. The principle of law that enjoins lower courts to follow the decision of higher courts when deciding similar cases is
2. A contract that is managed digitally is
3. The title of goods in a hire purchase agreement resides in the
4. A person who unknowingly bought a car with a defective title would have acquired a good title to the car if he bought it in.....
5. The rules that regulate the conduct of professionals such as accountants, lawyers, doctors, and engineers are called
6. The type of agency created where a person has by his conduct or words given an impression to third parties that somebody was his agent, which made those persons to rely on the representation in dealing with that person is.....

7. A breach of personal duties fixed by law, which gives rise to civil proceedings for damages is
8. The legal relationship which an insured person must have with the subject matter of the insurance, the absence of which would render the agreement void is.....
9. Any person who has an account with a bank on his name is a
10. A bill that is payable to a specified person is.....
11. The minimum authorised membership of a private company is
12. The remedy of the claimant/plaintiff for a breach of contract that requires the defendant to perform his own side of the agreement is
13. An agreement between two parties to commit an offence is void for
14. A display of goods in a shop window with the price affixed to it is an example of
15. The type of meeting which a public company must hold within 6 months from the date of incorporation is.....
16. How many types of netting are provided for by the Companies and Allied Matters Act, 2020?
17. Charges created by companies are classified as fixed charges and
18. The branch of the law that allows a person to hold property for the enjoyment of another person is
19. The document that regulates the internal management of a company is
20. A summary of disengagement of an employee by the employer is

SECTION B: ATTEMPT ANY FOUR QUESTIONS (50 MARKS)

QUESTION 1

- (a) An offer is at the foundation of all valid agreements.

Required:

Distinguish an offer from an invitation to treat. (5 Marks)

- (b) Ade from Oyo State got a judgment against Bola of Osun State in the High Court of Oyo State, Ibadan. Bola is not happy with the judgment and intends to take the same case to the Federal High Court, Osogbo in Osun State for a possible remedy.

Required:

Advise Bola on the likely success of his intention. (3 Marks)

- (c) i. John promised his son a laptop if he could score above the pass mark in the UTME. Kenny, the son, scored above the pass mark but the father is not willing to give him the laptop.

Required:

Advise Kenny if he could sue his father successfully. (2½ Marks)

- ii. State **TWO** types of contracts that are totally void against an infant. (2 Marks)

(Total 12½ Marks)

QUESTION 2

- (a) James bought twenty bags of cement out of the one hundred bags that the seller had in his warehouse.

Required:

- i. What is the goods classification of the twenty bags of cement that James bought? (1½ Marks)

- ii. What is the classification of the one hundred bags of cement that were in the warehouse of the seller? (1 Mark)

- (b) Court proceedings are classified as criminal and civil proceedings respectively.

Required:

State **THREE** differences between criminal proceedings and civil proceedings. (3 Marks)

- (c) Partnership is one of the types of business organisations in Nigeria.

Required:

State **FOUR** characteristics of a Limited Liability Partnership. (4 Marks)

- (d) The remedies that the law provides for a breach strengthens a contract.

Required:

State **THREE** remedies for breach of contract.

(3 Marks)

(Total 12½ Marks)

QUESTION 3

- (a) Anthony a mercantile agent is authorised to sell second hand tables for Twenty Thousand Naira. He accepted an offer to buy of Eighteen Thousand Naira, and when he informed his principal, the principal adopted the sale.

Required:

- i. What type of agency relationship was created in the situation above?
(2 Marks)
- ii. State **TWO** characteristics of the type of agency you have identified.
(2 Marks)

- (b) Insurance is an agreement that requires full disclosure of all material facts.

Required:

- i. State the importance of the proposal form in the formation of a contract of insurance.
(2 Marks)
- ii. Explain briefly the concept of indemnity in a contract of insurance.
(2½ Marks)

- (c) The court may invite an accountant as an expert witness in a computer fraud case.

Required:

State **FOUR** roles an accountant invited as an expert witness in a computer fraud case should perform.

(4 Marks)

(Total 12½ Marks)

QUESTION 4

- (a) The Money Laundering Prohibition Act limits the amount of cash payment which different categories of persons could make or accept in a transaction that does not go through a financial institution.

Required:

State the maximum amount of cash payment which the following categories of person could make or accept without going through a financial institution.

- i. An individual
- ii. A corporate body
(2 Marks)

- (b) In a contract of hire purchase, the parties have certain obligations and rights.

Required:

State **TWO** remedies that are available to the hirer of goods if the owner breaches the hire purchase agreement. (2 Marks)

- (c) Arbitration is a method for alternative dispute resolution.

Required:

Distinguish arbitration from mediation. (3½ Marks)

- (d) The employees of Iyamapo Limited are of the opinion that the company neglects its duties towards them, and that impacts their welfare negatively.

Required:

State **FIVE** duties that the company owes its employees. (5 Marks)

(Total 12½ Marks)

QUESTION 5

- (a) Negotiable instruments are instruments of commerce.

Required:

Define negotiable instruments and state **TWO** of its types. (3½ Marks)

- (b) Explain briefly the following crossings on a cheque:

- i A cheque that is generally crossed;
- ii. A cheque that is specially crossed; and
- iii. A cheque with “account payee only” written between the two parallel lines on its surface. (3 Marks)

- (c) The nature of a term of a contract determines the effect of its breach.

Required:

Distinguish between conditions and warranties. (4 Marks)

- (d) Consideration is an essential element of a valid contract.

Required:

State **TWO** rules on consideration. (2 Marks)

(Total 12½ Marks)

QUESTION 6

- (a) Some alterations are considered as material alterations that would discharge a bill of exchange.

Required:

State **THREE** material alterations that could discharge a bill of exchange.

(4½ Marks)

- (b) The property of every deceased person is subject ordinarily to administration and distribution under the law.

Required:

State **THREE** ways by which the property of a deceased person could be administered and distributed under the law.

(3 Marks)

- (c) The collection of personal data of a data subject must follow certain principles laid down by the Nigerian Data Protection Regulation of 2019.

Required:

State **TWO** principles that a data collector must follow when collecting the information of a data subject.

(5 Marks)

(Total 12½ Marks)

SECTION A: PART I

MULTIPLE CHOICE SOLUTIONS

1. C
2. A
3. E
4. A
5. D
6. E
7. B
8. A
9. B
10. B
11. B
12. D
13. A
14. B
15. A
16. B
17. C
18. E
19. C
20. C
21. B
22. E
23. A
24. C
25. B
26. D
27. B
28. D
29. A
30. A

Examiner's comment

The questions were spread over the entire syllabus in appropriate weighting. Attempt rate was about 99.9%, candidates' performance was above average.

Candidate's major pitfall was selective coverage of the syllabus,

For the future, candidates are advised to cover the syllabus adequately in their future preparation, especially the areas of company law and partnership.

SECTION A: PART II

SHORT ANSWER SOLUTIONS

1. Judicial precedent
2. E-contract
3. Owner
4. A market overt
5. Ethical code
6. Agency by estoppel
7. Tort
8. Insurable interest
9. Customer
10. Order bill
11. One (1)
12. Specific performance
13. Illegality
14. Invitation to treat
15. Statutory meeting
16. Four (4) types
17. Floating charge
18. Trust
19. Articles of association
20. Dismissal

Examiner's comment

The questions were spread over the entire syllabus in appropriate weighting. Attempt rate was about 99.9%, candidates' performance was above average.

Candidate's major pitfall was selective coverage of the syllabus. For the future, candidates are advised to cover the syllabus adequately in their future preparation, especially the areas of recent additions to the syllabus.

SECTION B

SOLUTION 1

- a. An offer is a promise to enter into a contract on the basis of definite terms made by one party to the other with the intention that the terms shall be binding on him once it is accepted by that other party to whom it is addressed.

An offer could be made by words of mouth, by conduct or by writing and to the whole world.

An invitation to treat on the other hand is a preliminary communication, which indicates a willingness to enter into negotiation that may or may not end in a contract.

Examples of invitation to treat are display of goods for sale in a shop window, and invitation to an auction sale.

b. The issue in the question is about hierarchy of courts in Nigeria.

Bola's decision to go to the Federal High Court Osogbo, Osun State is not appropriate because Oyo State High Court, Ibadan and the Federal High Court Osogbo, Osun State are courts of coordinate jurisdiction, that is, courts of equal powers or courts of the same level in the hierarchy of courts.

In conclusion, Bola's action will fail.

c.

i. The agreement between Kenny and his father is a domestic agreement. The presumption of the court is that the parties to a social or domestic agreement to not have an intention to create legal relations legally enforceable by the court. Therefore Kenny is advised not to take any action against his father in court because such an action is bound to fail.

ii. The types of contract that are totally void against an infant are:

- A contract to repay loans given or to be given to an infant
- An agreement to pay for goods which are non-necessaries
- An agreement involving an 'account stated'

Examiner's comment

The question tests candidates' understanding of the distinctions between offer and intention to create legal relations, the implication of courts of co-ordinate jurisdiction, domestic agreements that are lacking in intention to create legal relations, and the limited capacity of infants to enter into legally binding agreements.

Attempt rate was around 80%, and pass rate was about 70%.

Candidates' major pitfall was their inadequate understanding of the implications of courts of co-ordinate jurisdiction in the Nigerian legal system segment, and domestic agreement under the law of contract.

Candidates need to be more painstaking in their future preparation.

SOLUTION 2

- a.
 - i. The twenty bags of cement that James bought are classified as **unascertained goods** because they form part of a larger bulk.
 - ii. The one hundred bags of cement, which are in the warehouse of the seller, are **ascertained or existing goods**.
- b. The differences between criminal proceedings and civil proceedings are:
 - i. Criminal proceedings deal with offences, while civil proceedings deals with disputes between citizens in their interpersonal relationships;
 - ii. The aim of criminal proceedings is to punish offenders, while that of civil proceedings is compensating an injured or aggrieved person;
 - iii. The standard of proof in criminal proceedings is proof beyond reasonable doubt, but the standard of proof in civil proceedings is preponderance of evidence or balance of probabilities;
 - iv. In criminal cases, there is no limitation of time to prosecute the offender, but in civil cases, the limitation time to institute an action ranges from six to twelve years, otherwise, the case is statute-barred;
 - v. Prosecution of criminal matters is by the State or government, whereas it is a decision for the aggrieved person to sue the defendant in a civil case;
 - vi. In criminal proceedings, once the case against the accused person is proved, the court pronounces him guilty and convicts him. Conversely, in civil cases, once a plaintiff proves his case against the defendant, the court pronounces the defendant liable and makes him to pay damages/compensation to the plaintiff or subjects him to equitable orders such as injunction or specific performance; and
 - vii. The parties to criminal proceedings are the State and the Accused/Defendants, but the parties to a civil case are the Plaintiff and the Defendant.
- c. The characteristics of a limited liability partnership are as follows:
 - i. It is a body corporate and a distinct legal entity from the partners;
 - ii. It has perpetual succession so that a change in a membership does not affect its existence, rights or liabilities;
 - iii. It must have at least two partners and two designated partners;
 - iv. One of its designated partners must be resident in Nigeria;
 - v. Its name must end with the words Limited Liability Partnership or the acronym 'LLP';
 - vi. It has power to acquire, hold, and dispose properties of any nature in its own name;
 - vii. It may have a common seal if it is so willing; and
 - viii. It may sue or be sued in its name.

- d. The remedies for a breach of contract are:
- i. Damages;
 - ii. Specific Performance;
 - iii. Injunction;
 - iv. Rescission; and
 - v. *Quantum meruit* or what a party has earned.

Examiner's comment

The question tests candidates' understanding of classification of goods under the Sale of Goods Act, the distinction between civil and criminal proceedings, the characteristics of a limited liability partnership, which are similar largely to those of an incorporated company, and the remedies for breach of contract.

Attempt rate was around 75%, and pass rate was about 75%.

Candidates' major pitfall was their inadequate understanding of the classification of goods, and the attributes of a limited liability partnership.

Candidates need to be more thorough in their future preparation so as to cover the entire syllabus in the ATSWA Study Text.

SOLUTION 3

- a.
- i. The type of agency relationship created by the actions of Anthony and his principal is agency by ratification.
 - ii. The conditions/characteristics of agency by ratification are as follows:
 - The Principal must be in existence.
 - The principal must have the capacity to ratify the transaction.
 - The transaction must have been made on behalf of the principal.
 - The transaction must not be illegal.
 - The transaction must be ratified by the principal promptly
- b.
- i. The proposal form is a questionnaire issued by an insurer to a prospective insured containing questions that will form the basis of the contract of insurance. If the insurer accepts the proposal form as completed, a contract of insurance comes into being.
 - ii. Indemnity in an insurance contract is a guarantee that if the risk insured against occurs, the insured will be financially compensated by the insurer to the extent of the loss he has actually suffered, thereby restoring him to his actual financial position before the occurrence to the loss.

- c. The role of the accountant invited as an expert witness before the court in a computer fraud situation include:
- i. Satisfying the court that the document sought to be tendered was generated in the ordinary course of the business/transaction that is now the subject matter of the case at hand;
 - ii. Satisfying the court that the document is either the original or the certified true copy of the document generated from the computer;
 - iii. If he is not the maker of the document, he should ensure that the document is tendered by someone whose function is related to the subject matter of the document; and
 - iv. In addition, his function must be related to the subject matter of the document.

Examiner's comment

The question tests candidates' understanding of agency by ratification, which is equal to antecedent authority and valid, the import of insurance proposal form and the meaning of indemnity in insurance contract as well as the roles of an accountant that is called as an expert witness in a fraud case.

Attempt rate was around 75%, and pass rate was approximately 65%.

Candidates' major pitfall was their inadequate understanding of the roles of an accountant as an expert witness in fraud cases.

Candidates need to study the area of deficiency more in the ATSWA Study Text.

SOLUTION 4

- a.
- i. The maximum amount of cash payment which an individual could make or accept without going through financial institutions is N5,000,000.
 - ii. The maximum amount of cash payment which a body corporate could make or accept without going through financial institutions is N10,000,000.
- b. The remedies available to the hirer when the owner breaches the hire purchase agreement are as follows:
- i. Damages;
 - ii. Repudiation of the contract;
 - iii. Recovery of installments or deposit;
 - iv. Specific performance;
 - v. Injunction;
 - vi. Set off against installments; and
 - vii. Replacement of the goods.

- c. Arbitration is a formal process by which a party that is neutral to the dispute makes a decision that binds the disputing parties and is enforceable in law. Conversely, in mediation the neutral third party merely facilitates the process by which the parties reach their mutual resolution, which is not binding except the parties sign the agreement.
- d. The duties which the company, Iyamapo limited owes to its employees are:
- i. Payment of a fair and timely compensation;
 - ii. Provision of safe working environment;
 - iii. Non-discrimination;
 - iv. Compliance with labour laws;
 - v. Provision of work; and
 - vi. Provision of written terms of employment within three months after the employee has assumed duty.

Examiner's comment

The question tests candidates' understanding anti money laundering limitation of cash transactions outside financial institutions allowed a natural person and a body corporate respectively, the remedies of a hirer of goods, types of Alternative Dispute Resolution (ADR) mechanisms, and the duties of employers to employees.

Attempt rate was around 60%, and pass rate was approximately 60%.

Candidates' major pitfall was their inadequate understanding of ADR and the duties of an employer to employees.

Candidates need to study the areas of deficiency more in the ATSWA Study Text.

SOLUTION 5

- a. Negotiable instruments are certain choses in action whose legal title can be transferred (according to custom or statute) by mere delivery, with the result that any bona fide transferee for value receives a good legal title to the instrument free from all equities.

Examples of negotiable instrument are:

- Cheques
- Promissory notes
- Treasury bills
- Travellers cheques
- Bearer bonds and debentures
- Dividend warrants
- Bills of exchange

- b.
 - i. General crossing of a cheque implies that the cheque cannot be cashed across the counter but is payable into a bank account.
 - ii. Special crossing of a cheque indicates the name of a particular bank in between the two parallel lines on the face of the cheque, making it payable in the stated bank.
 - iii. A cheque with 'account payee only' written in between the two parallel lines on its surface implies the collecting banker must pay the value into the account of the named payee.
- c. Conditions fundamental terms of contract that confers on the party affected by a breach of the term the right to repudiate the contract or sue for damages.

Warranties on the other hand are regarded as terms that are not fundamental to the contract or go to its root, the breach of which entitles the affected party to sue for damages.

- d. The rules of consideration are as follows:
 - i. Consideration must move from the promisee but not necessarily to the promisor;
 - ii. Consideration must not be past;
 - iii. Consideration need not be adequate but sufficient; and
 - iv. Consideration must not be unlawful

Examiner's comment

The question tests candidate's understanding of the meaning of negotiable instruments and different crossings on cheques, the distinctions between conditions and warranties as well the rules that govern consideration.

Attempt rate was around 55%, and pass rate was approximately 60%.

Candidates' major pitfall was their inadequate understanding of crossings on cheques.

Candidates need to study the area of deficiency more in the ATSWA Study Text.

SOLUTION 6

- a. The following alterations are considered as material enough to discharge a bill of exchange.
 - i. The date;
 - ii. The sum payable;
 - iii. The time of payment;
 - iv. Place of payment;
 - v. When a bill which has been accepted generally is changed to 'accepted with qualification'.
- b. The properties of a deceased person can be administered and distributed in law through:
 - i. A will;
 - ii. A trust;
 - iii. Letters of administration; and
 - iv. Customary law
- c. The principles that must guide the data collector when collecting information on a personal data of a subject are:
 - i. Transparency: Clearly inform the data subject about the purpose, scope and potential use of the data collection.
 - ii. Consent: Obtain explicit consent from the data subject before collecting their personal data.
 - iii. Purpose limitation: Collect data only for a specific, legitimate purpose and ensure it is relevant to that purpose.
 - iv. Data minimization: Collect only the minimum amount of data necessary to achieve the purpose.
 - v. Accuracy: Ensure the data collected is accurate, complete, and up-to-date.
 - vi. Storage limitation: Store data for only as long as necessary to achieve the purpose.
 - vii. Security: Implement robust security measures to protect the collected data from unauthorised access, disclosure or loss.

Examiner's comment

The question tests candidate's understanding of types and implications of alterations to bills of exchange, means of administering deceased's estate, and the principles they must guide data collection under cyber security law as prescribed by NITDA.

Attempt rate was around 55%, and pass rate was approximately 65%.

Candidates' major pitfall was their inadequate understanding of administration of estates and the principles on data collection.

Candidates need to study the area of deficiency more in the ATSWA Study Text.

THE ASSOCIATION OF ACCOUNTANCY BODIES IN WEST AFRICA**ACCOUNTING TECHNICIANS SCHEME, WEST AFRICA
SEPTEMBER 2025 EXAMINATIONS (PART I)****COMMUNICATION SKILLS**

PLEASE READ THESE INSTRUCTIONS BEFORE COMMENCEMENT OF THE PAPER

EXAMINATION INSTRUCTIONS

1. All solutions should be in ink. Any solution in pencil will not be marked.
2. Read all instructions on each part of the paper carefully before answering the questions.
3. Ensure that you do not answer more than the number of questions required for **Section B (The Essay Section)**.
4. Check your pockets, purse and mathematical sets, etc, to ensure that you do not have prohibited items such as telephone handset, electronic storage device, wrist watches, programmable devices or any form of written material on you in the examination hall. You will be stopped from continuing with the examination and liable to further disciplinary actions including cancellation of examination result if caught.
5. Do not enter the hall with anything written on your docket.
6. Insert your examination number in the space provided above.

WEDNESDAY, SEPTEMBER 24, 2025

DO NOT TURN OVER UNTIL YOU ARE TOLD TO DO SO

**THE ASSOCIATION OF ACCOUNTANCY BODIES IN WEST AFRICA
ACCOUNTING TECHNICIANS SCHEME, WEST AFRICA
PART I EXAMINATIONS – SEPTEMBER 2025**

COMMUNICATION SKILLS

Time Allowed: 3 hours

SECTION A: PART I MULTIPLE CHOICE QUESTIONS (20 MARKS)

ATTEMPT ALL QUESTIONS

Write ONLY the alphabet (A, B, C, D or E) that corresponds to the correct option in each of the following questions/statements.

1. Which of the following is **NOT** a form of communication?
 - A. Speaking
 - B. Writing
 - C. Body language
 - D. Listening
 - E. Washing

2. Which of the following does the speaker anticipate when he speaks?
 - A. Sender
 - B. Listener
 - C. Reader
 - D. Encoder
 - E. Source

3. The following can make communication successful, **EXCEPT**
 - A. Clear message
 - B. Correct diction
 - C. Wrong timing
 - D. Feedback given
 - E. Right channel

4. In an organisation, lateral communication takes place between
 - A. Superior and subordinate
 - B. Same cadre of personnel
 - C. Subordinate and superior
 - D. Among all staff
 - E. Superior and stakeholders

5. Which of the following is **NOT** a characteristic of effective writing?
- A. Focus
 - B. Unity
 - C. Development
 - D. Purpose
 - E. Organisation
6. “Over-generalisation” refers to
- A. applying a rule too broadly
 - B. using specific examples
 - C. ignoring grammatical rules
 - D. being overly detailed
 - E. sticking to one format
7. Which of the following does **NOT** promote effective speaking?
- A. Inadequate preparation
 - B. Clear articulation
 - C. Well-structured content
 - D. Engaging delivery
 - E. Appropriate format
8. Faulty parallelism is best described as
- A. using consistent grammatical structures
 - B. using too many adjectives
 - C. mixing different sentence structures incorrectly
 - D. creating compound sentences
 - E. ignoring punctuation rules
9. Which of the following is the recommended sequence for producing an outline in essay writing?
- A. Start with a sentence outline, then refine into a topic outline
 - B. Skip the outline and write freely
 - C. Use only one type of outline to save time
 - D. Start with a topic outline, then develop it into a sentence outline
 - E. Brainstorm and write the essay
10. Which of the following essay types is the writer expected to take a definite stand?
- A. Argumentative
 - B. Narrative
 - C. Descriptive
 - D. Expository
 - E. Long

11. What is the function of "Introduction" in an essay?
- A. Contains the list of references used
 - B. Writer's final stand
 - C. Discussion of the points
 - D. Debate for both sides of an argument
 - E. Wets the appetite of the reader
12. What is the main characteristic of the accommodating conflict management style?
- A. Refusing to cooperate with the other party
 - B. Avoiding the issue involved in the conflict
 - C. Pursuing one's own goals at all costs
 - D. Cooperating with the other party in order to resolve the conflict
 - E. Sharing ideas to reach a consensus
13. The expression 'To express the list as computing, cooling, recording, and storage is disturbing' is a type of
- A. Symbolism
 - B. Simile
 - C. Parallelism
 - D. Exaggeration
 - E. Comparison
14. A group of words that contains a minimum of a subject and a verb and can stand alone is a(n)
- A. Phrase
 - B. Clause
 - C. Dependent clause
 - D. Adjectival clause
 - E. Independent clause
15. What is "the meaning of words" in a language called?
- A. Structure
 - B. Diction
 - C. Semantics
 - D. Grammar
 - E. Intuition
16. Which of the following item is **NOT** contained in a memorandum?
- A. Reference Number
 - B. Recipient
 - C. Sender
 - D. Subject
 - E. Signature

17. The major reason why most nations are switching from analog to digital is that
- A. Analog is highly sophisticated
 - B. Digital is seemingly limitless in its information-carrying capacity
 - C. Analog is the brainchild of modern technology
 - D. Analog is not cheap
 - E. Digital is cheap
18. The message header of an e-mail has the following features, **EXCEPT**
- A. The email address of the sender
 - B. The local time the message was written
 - C. Date the message was written
 - D. The object of the message
 - E. The subject of the message
19. Which of the following is **NOT** contained in a typical blog?
- A. Digital images
 - B. Text
 - C. Links to other blogs
 - D. Media related to its topic
 - E. The real identity of the blogger
20. The main target of advertising messages is the
- A. Seller
 - B. Producer
 - C. Retailer
 - D. Consumer
 - E. Distributor

SECTION A: PART II

SHORT ANSWER QUESTIONS

(20 MARKS)

ATTEMPT ALL QUESTIONS

Write the correct answer that best completes each of the following questions/statements.

1. In human communication, the is the person who decodes and attaches some meaning to a message.
2. A presenter uses hand gestures during a presentation. This is an example of communication.
3. Communication barrier that arises from difference in language is referred to as barrier.

4. Communication is the process of information, ideas, thoughts, and feelings between individuals or groups.
5. The SQ3R method of reading is Survey, Question, Read, Recall, and
6. Reading a passage closely helps identify the central
7. A recommended technique before proofreading is to take a from the text.
8. A dangling modifier often lacks a clear
9. The body of rules governing the conduct of a meeting is known as
10. The conflict between individuals is called conflict.
11. The essential characteristic of a narrative essay is
12. The process through which the presence of an idea in the mind brings about the presence of another idea is referred to as the of ideas.
13. Two types of correspondence in an organisation are and
14. 'BCC' in an e-mail means
15. A word in English that joins two parts of a compound sentence together is called
16. Word class in English is the same as
17. The process of transmitting and receiving data electronically is referred to as communication.
18. Changing from one product or service provider to another is called
19. A professional who knows how to use electronic technology and messaging for marketing purposes is called
20. Video conferencing can be either point-to-point or

SUMMARY

Read the following passage carefully and answer the questions that follow:

Nigeria, located in West Africa, is the most populous country on the continent, with a population exceeding 200 million people. Its diverse geography includes arid zones in the North, savanna in the middle belt, and tropical forests in the South. This diversity makes Nigeria particularly vulnerable to the impacts of climate change, as each region faces distinct challenges. Over the past few decades, Nigeria has experienced significant changes in temperature and rainfall patterns. According to the Nigerian Meteorological Agency (NIMET), the country has witnessed an average temperature increase of about 1.0°C since the 1960s. This rise in temperature has been accompanied by erratic rainfall patterns, with some regions experiencing increased rainfall leading to flooding, while others face prolonged droughts.

For instance, in Northern Nigeria, the frequency of heatwaves has increased, with temperatures often exceeding 40°C. The region has also seen a reduction in rainfall, leading to desertification and loss of arable land. The World Bank estimates that by 2050, Nigeria could lose up to 60% of its agricultural land due to desertification, significantly impacting food security. Agriculture is a vital sector in Nigeria, employing about 70% of the workforce and contributing approximately 24% to the GDP. However, climate change poses a severe threat to agricultural productivity. Changes in rainfall patterns and increasing temperatures have led to reduced crop yields and livestock productivity. Staple crops such as maize, rice, and sorghum are highly sensitive to climate variations. A study published in the journal: *Environmental Research Letters* found that maize production in Nigeria could decline by up to 20% by 2050 due to climate change. Similarly, rice production may drop by 15% if current trends continue.

Climate change also poses significant health risks in Nigeria. Rising temperatures and changing rainfall patterns have created conducive environments for vector-borne diseases such as malaria and dengue fever. The World Health Organisation (WHO) has reported an increase in malaria incidence in Nigeria, partly attributed to climate variability. Heat-related illnesses are becoming more common, especially in urban areas where the urban heat island effect exacerbates high temperatures. A study by the Nigerian Institute of Medical Research indicates that heatwaves could increase mortality rates by up to 10% in major cities like Lagos and Kano.

The socio-economic impacts of climate change in Nigeria are profound, affecting livelihoods, food security, and economic stability. Rural communities, which depend heavily on agriculture and natural resources, are particularly vulnerable. Climate-induced environmental degradation has forced many Nigerians to migrate from rural to urban areas in search of better opportunities. This rural-urban migration contributes to the rapid urbanisation of cities like Lagos and Abuja, leading to overcrowding, inadequate infrastructure, and increased poverty levels.

Promoting climate-smart agriculture is crucial for enhancing food security and building resilience to climate change. Techniques such as agroforestry, crop rotation, and improved irrigation systems can help farmers adapt to changing climate conditions. The Nigerian government, in collaboration with international organisations, is working to implement these practices across the country.

Climate change is an undeniable reality in Nigeria, with far-reaching impacts on the environment, economy, and society. The country's vulnerability to climate change is exacerbated by its reliance on agriculture, rapid population growth, and inadequate infrastructure. To address these challenges, Nigeria must continue to implement effective mitigation and adaptation strategies, with a focus on sustainable development and resilience building. International cooperation and support are also essential to help Nigeria navigate the complexities of climate change and secure a sustainable future for its people.

(Culled from *The Nation*, July 26, 2024)

- a. Provide a suitable title for the passage. (3 Marks)
 - b. In **ONE** sentence, state the **TWO** main climate challenges faced by northern region of Nigeria. (3 Marks)
 - c. In **ONE** sentence, state how climate change affect agriculture in Nigeria. (3 Marks)
 - d. In **THREE** sentences, one for each, what are the **THREE** health risks that are associated with climate change in Nigeria? (9 Marks)
 - e. In **ONE** sentence, state how climate change is influencing migration in Nigeria. (3 Marks)
 - f. In **ONE** sentence, state the role climate-smart agriculture plays in Nigeria's response to climate change. (3 Marks)
 - g. In **ONE** sentence, state what Nigeria must do to address the climate change challenge. (3 Marks)
 - h. In **ONE** sentence, state how Nigeria can overcome the complexities of climate change. (3 Marks)
- (Total 30 Marks)**

SECTION C**ANSWER ANY TWO QUESTIONS****(30 Marks)****QUESTION 1**

- a. List any **FIVE** roles of communication in an organisation. (5 Marks)
 - b. Explain briefly each of the roles listed in (a) above. (10 Marks)
- (Total 15 Marks)**

QUESTION 2

You work in a company where some of your colleagues were alleged to have stolen items from the store. An Ad-Hoc Committee of seven members was set up to investigate the case. You were appointed to serve as the Secretary of the Committee. The Chairman of the Committee has instructed you to convene a meeting for the purpose of charting the course of the investigation.

Required:

- a. Prepare a detailed Notice of Meeting to be sent to all members of the Committee. (10 Marks)
 - b. Draft an Agenda for the Committee Chairman's review. (5 Marks)
- (Total 15 Marks)**

QUESTION 3

Business reports are the formal way of presenting a piece of information that needs to be communicated in a business. The information may be facts, figures, or a detailed analysis of any situation. There are many types of business reports depending on the business needs and situations.

Required:

- a. List any **FIVE** types of business reports. (5 Marks)
 - b. Discuss briefly the **FIVE** types of business reports listed in (a) above. (10 Marks)
- (Total 15 Marks)**

QUESTION 4

- a. Define "proofreading." (5 Marks)
 - b. Explain briefly the **FIVE** steps in proofreading. (10 Marks)
- (Total 15 Marks)**

SECTION A: PART I

MULTIPLE CHOICE SOLUTIONS

1. E
2. B
3. C
4. B
5. D
6. A
7. A
8. C
9. D
10. A
11. E
12. D
13. C
14. E
15. C
16. E
17. B
18. D
19. E
20. D

Examiners' comment

This part is compulsory for all candidates. The questions in this part covered all areas of the Communication Skills syllabus. This part is designed to test candidates' knowledge of the principles, concepts, and terms related to the various areas of the subject syllabus. Candidates' performance here was good as about 70% of them scored 50% and above of the allotted marks. Despite this good performance, candidates still need to ensure that they familiarise themselves with all parts of the syllabus.

SECTION A: PART II

SHORT ANSWER SOLUTIONS

1. Receiver/Decoder
2. Non-verbal
3. Semantic
4. Exchanging/Transferring/Transmitting
5. Review
6. Idea/Theme

7. Break
8. Subject
9. Standing Order
10. Interpersonal
11. Orderliness
12. Association
13. Internal and External
14. Blind Carbon Copy
15. Conjunction
16. Parts of Speech
17. Digital
18. Switching
19. Digital Marketer
20. Multipoint

Examiner's comment

This part is also compulsory for all candidates. The questions in this part covered all areas of the syllabus too. The questions in this part are designed, apart from testing candidates' knowledge of the principles, concepts, and terms related to the areas of the syllabus, to test their ability to supply words that best complete the questions or statements given. Candidates' performance was below average, as about 30% of them scored 50% or above of the allotted marks. For better performance in this part, candidates should familiarise themselves more with all parts of the syllabus.

SECTION B

SUMMARY

- a. Climate change reality in Nigeria/ Effects of climate change in Nigeria
- b. Northern Nigeria faces increased heatwaves and reduced rainfall.
- c. Climate change leads to reduced crop and livestock productivity.
- d.
 - i. Rising temperatures and changing rainfall patterns have increased the prevalence of vector-borne diseases.
 - ii. Climate change has increased the rate of malaria incidence in Nigeria.
 - iii. Heat-related illnesses are rising. Or. Heatwaves are increasing mortality rates in major cities.
- e. Environmental degradation has forced many rural residents to migrate to urban areas.
- f. Climate-smart agriculture is essential for enhancing food security and building resilience.

- g. Nigeria must continue to implement effective mitigation and adaptation strategies.
- h. Nigeria must seek international cooperation and support to secure a sustainable future for its people.

Examiner's comment

This section is compulsory for all candidates. This section tests candidates' knowledge of reading for key points and how to answer summary questions. Candidates' performance was good as about 65% scored 50% or above of the marks allocated.

The candidates' shortcomings were:

- Inability to read and understand the context of the given passage;
- Misinterpretation of questions;
- Disobeying instructions; and
- Poor use of language.

For better performance in future examinations, candidates should:

- Read wide for a better understanding of the content of the materials read;
- Improve their reading habits;
- Learn the difference between the techniques of answering summary and comprehension questions;
- Familiarise themselves with grammatical rules to minimise grammatical errors when they write.

SECTION C

SOLUTION 1

- a. The roles of communication in an organisation are:
 - i. To facilitate the recipient's level of understanding.
 - ii. To elicit the receiver's response.
 - iii. To create good relations.
 - iv. To create organisational goodwill.
 - v. To inform.
 - vi. To entertain

b.

i. **To facilitate the recipient's level of understanding**

The sender of a message knows what meaning the message is intended to convey. The receiver's understanding of the message is the most critical goal or objective of the communication process. The message sent must elicit the appropriate receiver's understanding by ensuring that the message is not ambiguous and is not interpreted anyhow by the recipients. For example, a superior who instructs a subordinate in an organisation must ensure it is clear enough for the subordinate to carry it out.

ii. **To elicit the receiver's response**

The recipient's response to a message will depend on his/her understanding of the message. In face-to-face communication, for instance, the receiver has the opportunity for clarification on any ambiguity. In written communication, this may not be possible. Hence, the sender must ensure that there is no ambiguity in the message for him/her to receive an appropriate response from the receiver. A manager who sends written instructions to his/her subordinate must provide the necessary clarifications needed for the instructions to be carried out.

iii. **To create good relations**

One of the goals of communication in an organisation is to create good relations among parties. The content of the receiver's message must not contain information that can cause strain in the relationship among staff. In maintaining good relations, the sender of a message must ensure that the wording of the message appears good, positive, and encouraging.

iv. **To create organisational goodwill**

Communication is an important method of creating goodwill in business organisations. It must be used effectively in an organisation to enhance the creation of organisational goodwill among all stakeholders, necessary for continued successful operation. This will also enhance the building of confidence and trust in the organisation.

v. **To inform**

The primary function of communication is to give information. Without the message or the content, communication cannot take place. The information may be in the form of ideas, beliefs, or thoughts that may awaken the receiver's consciousness about the body of facts sent.

vi. **To entertain**

Communication can be used to entertain. An entertaining message may make a receiver with a heavy heart begin to smile or laugh, thereby creating temporary or permanent relief for the receiver. For instance, an interesting story makes the reader's or listener's heart merry.

Examiner's comment

In this question, candidates were asked to:

- (a) List any five roles communication play in an organisation; and
- (b) Explain briefly each of the five roles listed.

About 55% of the candidates attempted this question. Their performance was just average, as only 40% of them scored 50% and above the marks allocated. Many of the candidates were not able to understand the role communication plays in an organisation, hence the second part of the questions was affected as the roles listed in (a) would be explained briefly in (b).

Candidates should study closely the section dealing with "General introduction to communication" if they must do well in this type of question in subsequent examinations.

SOLUTION 2

a. Notice of Meeting

LIFELINK PLASTIC INDUSTRY

Plot 2, Block 14, Adebisi Estate, Ido-Osun

Osun State.

lifelinkplastic@yahoo.co.uk

Tel: +2348061976777

Date: October 15, 2025

Dear Members,

NOTICE OF THE INAUGURAL MEETING

I am writing on the directives of the Chairman of the committee to invite you to the inaugural meeting of the committee set up to investigate allegations of theft of items from the company's store by some staff members.

The meeting is scheduled to be held as stated below:

Venue: The Board Room

Date: 22nd October 2025

Time: 10:00 am

Please ensure that you attend punctually

Yours faithfully,

Adegoke Ademuyiwa,

Secretary

Distribution

All Committee Members.

b. Agenda

1. Chairman's Opening Address
2. Business of the day
 - a. Modalities for the investigation
 - b. List of officers to be invited for an interview
3. Adjournment
4. Date of next meeting

Examiner's comment

This question is designed to test candidates' ability to

- (a) Prepare a Notice of Meeting; and
- (b) Produce a draft agenda for a meeting.

About 30 % of the candidates attempted this question. Their performance was poor as about 30% of them scored 50% and above the marks allocated. The candidates' shortcomings was their inability to understand the format of Notice of meeting and the preparation of an agenda. For better performance in future examinations, candidates should study all aspects under the chapter on 'Meetings' in the study text well and make use of ICAN past questions and answers.

SOLUTION 3

a. The types of business reports are:

- i. Information report
- ii. Analytical report
- iii. Research report
- iv. Explanatory report
- v. Progress report
- vi. Fact-Finding Report
- vii. Performance report
- viii. Standing Committee Report
- ix. Ad-hoc Committee Report
- x. Annual Report

b.

- i. **Information report:** This type of report is given when objective information is required. It presents non-biased facts without explaining the reasons and the possible outcomes of a situation. It is the ideal business report for learning things such as the number of employees, the role each of them plays in the organisation, or the departments the employees work in.
- ii. **Analytical report:** This type of business report is usually required when an organisation is trying to make an important decision. It analyses the organisation's situation, presents relevant information, explanations, and conclusions. It helps the organisation to make decisions that will move it forward.
- iii. **Research report:** This is the most comprehensive type of business report required when an organisation considers trying something new, such as establishing a new branch, or going into the production of a new product. A team of specialists or researchers is given the task and asked to find all the relevant statistics by making a feasibility study, followed by a detailed analysis of the data collected and arriving at a conclusion.
- iv. **Explanatory report:** This type of report is required when an organisation wants to explain a topic or situation so that everyone can understand it. It is written to explain the research conducted. Along with the table(s) showing

the results, the report should include the reason for the research, sample sizes, methodology, etc. After explaining the results, the findings are briefly summarised.

- v. **Progress report:** This report shows how things are going now. A progress report is not based on analysis or tons of research. Instead, it is an update for the person who needs it. An example of this could be a weekly report stating the progress made throughout the week on a particular situation to know the tasks to work on in the upcoming week.
- vi. **Fact-Finding Report:** There are numerous situations in an organisation where finding facts is required. For example, it can be the breakdown of machinery in the factory premises or rivalry between associates and the manager. It requires an in-depth reasoning about the situation that has arisen. In this case, the fact-finding report comes in handy and presents facts from a third person's viewpoint. These reports are presented to the top management, which would take appropriate action on the situation at hand.
- vii. **Performance report:** The management likes to know the performance of each department regularly. Not only that, it also wants to be informed about the newly opened branch, newly appointed employee or even the performance of existing employees who are due for promotion. All these cases are analysed by the management for which the performance report is generated. This report is important for the management to arrive at a decision and hence it is prepared by the superior officers of the respective groups.
- viii. **Standing Committee Report:** A committee that is appointed for a specific reason is called "standing." The reason for appointing this committee may be for a financial, employee, or departmental assessment. The standing committee is expected to submit a detailed report on whatever assignment is given to it. The report submitted by the committee is known as a standing

committee report. In many organisations, the report of a standing committee is submitted at frequent intervals.

- ix. **Ad-hoc Committee Report:** An Ad-hoc committee report is also known as a special committee report. As the name suggests, a special committee is appointed to deal with a specific assignment, such as the investigation of the cause of a fire outbreak in the factory, a conflict between two employees, a case of missing laptops in the ICT department, etc. The committee is dissolved as soon as its report is submitted.
- x. **Annual Report:** A yearly report is generated once a year detailing the major activities and critical decisions of an organisation. The report contains items such as investments, product portfolio changes, marketing strategies, marketing campaigns, etc. are planned on the basis of the Annual report. Pre-decided plans may be modified or changed, based on the annual reports.

Examiner's comment

This question is about business reports. The candidates were required to list any five business reports they know and discuss them briefly. About 45% of the candidates attempted this question, while their performance was just average as only about 40% scored 50% and above the marks allocated. Although some candidates were able to list these business reports, they were unable to explain them satisfactorily in the (b) part of the question.

Candidates should endeavour to study the section dealing with 'Business reports' under the 'Report Writing' chapter of the syllabus in order to do well in subsequent examinations. They should also make use of ICAN study text and past questions and answers.

SOLUTION 4

- a. Proofreading is the process of reviewing a written document to identify and correct errors in grammar, punctuation, spelling, and formatting. It aims at ensuring that the text is clear, accurate, and polished before final submission or publication. Proofreading is essential for any text that will be shared, whether it is an academic paper, a job application, an online article, or a print flyer. One can choose to proofread the text oneself or hire a professional. It is the very last stage of the printing process.

b. **Steps in Proofreading**

- i. **Edit your Writing First:** Before proofreading, it's essential to edit your writing for content, structure, and clarity. This involves revising sentences, improving word choice, and ensuring coherence. Editing allows you to address larger issues in the text before focusing on minor errors.
- ii. **Take a Break from the Text:** After completing your writing, take a short break before proofreading. This pause helps clear your mind, allowing you to return to the text with fresh eyes. A new perspective increases the likelihood of spotting errors that might have been overlooked during the initial writing phase.
- iii. **Use Digital Shortcuts:** Utilise digital tools and shortcuts to assist in proofreading. Spell checkers and grammar checkers can help identify errors quickly. However, remember that these tools are not foolproof; manual review is still necessary to catch nuanced mistakes.
- iv. **Proofread from a Printout:** Reviewing a printed copy of your document can be more effective than proofreading on a screen. The change in format helps you notice errors more easily, and it allows for easier annotation. Marking up a physical copy can enhance your focus on details.
- v. **Learn from Earlier Mistakes:** Keep a record of common errors you tend to make and refer to this list when proofreading. By identifying and understanding your recurring mistakes, you can become more vigilant in spotting similar errors in future writing, ultimately improving your overall proofreading skills.

Examiner's comment

This question requires the candidate to give the definition of 'proofreading' and give a brief explanation of each of the five steps involved in proofreading.

About 15% of the candidates attempted this question. Their performance was poor as only 30% scored 50% and above the marks allocated. It seemed the candidates had little knowledge of this aspect of language skill, probably because this topic had just been included in the study text, hence the low patronage by candidates.

Candidates should make it a point of duty to study all aspects of Basic Language Skills as contained in the ICAN Study text and also make copious use of ICAN past questions and answers if they must perform better in subsequent examinations.