



OLABISI ONABANJO UNIVERSITY, AGO-IWOYE
DEPARTMENT OF EDUCATIONAL MANAGEMENT AND BUSINESS STUDIES
RAIN SEMESTER EXAMINATIONS
2013/2014 ACADEMIC SESSION

EXAMINATION: Bachelor of Business Education
COURSE CODE: BBE 202
COURSE TITLE: Principles of Accounting
COURSE STATUS: 2 Units Compulsory
TIME ALLOWED: 2 Hours
INSTRUCTIONS: Attempt all questions

1. Identify and Explain any five basic accounting concepts ? (10 Marks)
2. The following data were extracted from the books of Rosyso Enterprises on 31/12/04

Debtors balance 1/1/04	1,497,345 (Dr)
Debtors balance 1/1/04	16,495 (Cr) —
Creditors balance 1/1/04	24,319 (Dr)
Creditors balance 1/1/04	729,518 (Cr)
Sales	5,674,175
Purchases	2,418,735
Credit notes from suppliers	72,184
Debit notes to customers	69,184
Returns inwards	431,412
Returns outwards	39,419
Discount allowed	130,415
Discount received	65,411
Cash paid to suppliers	2,398,000
Cash received from customers	6,101,710
Bad debts written off	48,113
Bills receivable	89,500
Bills payable	35,000
Bills receivable dishonoured	13,410
Set – off	154,447
Commission paid to customers	13,100
Commission received	760,111
Debtors balance 31/12/04	8,125 (Cr)
Creditors balance 31/12/04	16,095 (Dr)

You are required to prepare:

- i. Sales Ledger Control Accounts (10 marks)
ii. Purchases Ledger Control Accounts (10 marks)

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3. Rosemary is a cloth seller at Gbagi market in Ibadan, Oyo State. The following balances were extracted from his books on 31st March, 2007.

Sales	922,326
Sales ledger control	86,580
Stock-in-trade 1/4/06	64,464
Trade subscriptions	312
Telephone and postages	2,652
Travellers commission	44,904
Salaries	31,296
Rent paid	6,840
Purchases	759,198
Purchases ledger control	37,074
Printing expenses	4,734
Petty cash in hand	96
Equipment and office furniture	9,720
Electricity	2,436
Insurance	1,512
Miscellaneous expenses	9,138
Drawings - Rosemary	21,162
Discount allowed	2,310
Discount received	4,356
Cash at Bank	25,392
Capital Account Balance 1/4/06	110,442
Bad debts written off	1,452

Additional information:

(a) Amount owing by Rosemary on 31st March, 2007 were Rent N2,280 Travelers commission and expenses N3,690, Electricity N336.

(b) Stock at 31st March, 2007 was N57,336

(c) Provision:

Accountancy charges N 1,386

Doubtful debts N1,740

(d) Office furniture and equipment is to be depreciated by 20 per cent.

You are required to prepare:

(i) Trading and Profit and Loss Account for the year ended 31st March, 2007 and

(ii) A Balance Sheet as at that date.

(20 Marks)

4. Prepare manufacturing, trading, profit and loss accounts from the following balances of Cumslank Ltd for the year ended 31 December 2005

	N
Stocks at 1 January 2005	
Raw Materials	9,225,000
Work in Progress	11,800,000
Finished goods	8,735,000
Purchases: Raw Materials	32,650,000
Carriage on raw materials	802,500
Direct labour	32,905,000
Office Salaries	8,460,000
Rent	1,350,000
Office lighting and heating	2,880,000
Depreciation: Works Machinery	4,150,000
Office Equipment	975,000
Sales	100,300,000
Factory fuel and power	2,960,000

Additional Information:

a. Rent is to be apportioned: Factory $\frac{2}{3}$; office $\frac{1}{3}$

b. Stocks at 31 December, 2005 were:

- i. Raw materials N10,105,000;
- ii. Work in progress N8,695,000;
- iii. Finished goods N10,742,500