



OLABISI ONABANJO UNIVERSITY, AGO-IWOYE
DEPARTMENT OF EDUCATIONAL MANAGEMENT AND BUSINESS STUDIES
RAIN SEMESTER EXAMINATIONS
2015/2016 ACADEMIC SESSION

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

1. 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	5,674,115
Purchases	2,418,735
Credit notes from suppliers	7,124
Debit notes to customers	84,184
Returns inwards	131,412
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	154,417
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)

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

Additional Information:

- Rent is to be apportioned: Factory 2/3, office 1/3.
- Stocks at 31 December, 2005 were: Raw materials N10,105,000; Work in progress N8,695,000; finished goods N10,742,500

(10 Marks)

3. Mr Bashorun received his bank statement for the month ending 31st December 2005. At the date, his balanced at bank amounted to N 14,130 whereas his cash book showed a balance of N 47,330. On investigation, the following discrepancies were discovered:

- Bank charges of N 60 had not been entered in the cash book.
- Cheque drawn by bashorun and totaling N 450 had not been presented to the bank.
- Mr. Bashorun had not entered receipt of N 530 in his cash book.
- The bank had not credited Mr Bashorun with the receipts of N 1,970 paid into the bank on 31st December, 2005.
- Standing order payment amounting to N 1,240 had not been entered in the cash book.
- Mr. Bashorun had entered a payment of N 560 in his cash book as N 650.
- A cheque received for N 300 from a debtor had been returned by the bank marked 'refer to drawer' but this had not been written back in the cash book.
- Mr. Bashorun had brought down his opening cash book balance of N 6,585 as a debit balance instead of a credit balance.
- Some of Mr. Bashorun's customers had agreed to settle their debts by direct debit. Unfortunately, the bank had credited some direct debits amounting to N 17,530 to another customer's account.

You are required to prepare:

- Adjusted cash book (10 Marks)
- Bank Reconciliation Statement for the month of December 2005 (10 Marks)

4. Rosemary is a cloth seller at Gbagi market in Ibadan, Oyo State. The follow 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	37,674

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 Travellers commission and expenses N3, 600, 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)