



**NATIONAL OPEN UNIVERSITY OF NIGERIA
14/16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS
SCHOOL OF SCIENCE AND TECHNOLOGY
MARCH/APRIL 2014 EXAMINATION**

COURSE CODE: AEC 306

COURSE TITLE: FARM RECORDS AND ACCOUNTING

TIME ALLOWED: 2 HOURS

INSTRUCTION: ANSWER SECTION A AND ANY OTHER 3 QUESTIONS IN SECTION B

SECTION A: (Compulsory 25 marks)

Ayoola Enterprises accounting year run from March 1 of one year to February 28 of another year. The policy of the company is to make a 4 percent provision in the aggregate debtors at the end of the year, On March 1 2003, the provision for doubtful debt stood at N25,000. During the year, T. Thomas who was a customer of the firm owing N100,000 was declared bankrupt in which only 60K per Naira was received on

October 31st 2003 and P, Farok's debt of N5000 was written off at the end of the financial year- 28th February 2004. The aggregate debtors at the end of the year stood at N500, 000.

In 2004, Mr. Ojo John's debt of N6000 was written off as bad on 31st July. The sales ledger accounts total balance stood at N700, 000 as at 28th February, 2005

Write up the following accounts for the two years ended.

i Bad debt account

- ii Provision for bad debt account
- iii Profit and loss account {extracts}
- iv Balance sheet {extracts}

SECTION B (15 MARKS EACH)

1. (a) Define the concept of provision for bad debits
(b) List the various methods under which provision for bad debit can be treated.
2. Define and state the difference between hand system and computerized record keeping system
3. (a) List the three basic types of farm records?
(b) Clearly explain the principles guiding keeping of good farm records.
4. (a) List four groups of software available to Farm record keepers.
(b) Give one example each of the mentioned software available to Farm record keepers
5. (a) State the first and second golden rule of the double entry system?
(b) Enumerate Required Records for each statement listed in Question 5a?