



NATIONAL OPEN UNIVERSITY OF NIGERIA
14-16 AHMADU BELLO WAY, VICTORIA ISLAND LAGOS
SCHOOL OF MANAGEMENT SCIENCES
MARCH/APRIL 2015 EXAMINATION

COURSE CODE: MGS757 **CREDIT UNIT:** 3
COURSE TITLE: PRINCIPLES OF ACCOUNTING
TIME ALLOWED: 2 ½ HRS
INSTRUCTIONS:

1. Attempt question number one (1) and any other (3) questions.
2. Question number 1 carries 25 marks, while the other three questions carry 15 marks each.
3. Present all your points in coherent and orderly manner.

1. On January 1, 2014 NOUN sold to LASU goods worth N1500 on the same date he drew on LASU three bills for N600, N500 and N400 for one month, two months and three months respectively. LASU accepted all the three bills and sent them back to NOUN. NOUN retained the first bill discounted the second bill with the bank for N495 on January 5, and endorsed the third bill to UNILAG on January 6, on the due date LASU met his acceptances. Record the above transaction in the books of NOUN, LASU and UNILAG.

2. Ram drew a bill on Tom for N1000 on April, 2014 for two months. On May 15 Tom requested Ram to renew the bill for two months. Ram agreed to renew the bill and charged interest @ 6% p. a. A new bill was drawn for N1010 including interest. The bill was honoured on due date. Record all this in the book of Ram and Tom.

3. Write extensively on accommodation bill and list the types.

4. What did you understand by Joint Venture?

4b. List the features and the advantages of joint venture

5. List and explain four (4) ways accounting of joint venture can be kept.

6. List and explain different types of accounting royalties