



NATIONAL OPEN UNIVERSITY OF NIGERIA
University Village, Nnamdi Azikiwe Expressway, Plot 91, Cadastral Zone, Jabi, Abuja
Faculty of Agricultural Sciences, Dept. of Agricultural Economics and Extension,
PoP Examination Questions, 2021 SESSION¹²³⁴

Course Title: Farm Records and Accounting

Course Code: AEA 306

Credit Unit: 2 Units

Total Score: 70 Marks

Time Allowed: 2 Hrs

INSTRUCTION: Answer 3 Questions Only.

POP EXAM QUESTIONS FOR AEA 306

QUESTION 1

- a). Explain what farm records is mentioning the three basic types of farm records you know. (7 mks)
- b). Highlight any four (4) general principles of record keeping (6.0 Marks)
- c). Explain record analysis in the context of developing farm records. (3.0 Marks)
- d). Examine balance sheet as a financial analysis tool related to farm records and comment on a business with ₦ 5000 worth of liability and ₦10000 worth of assets? (8.0 Marks)

QUESTION 2.

- a). Explain the different types of farm records and the use to which each can be put to. (6.0 Marks)
- b). In the development of farm records, two methods can be recognized. Discuss (6.0 Marks)
- c). Which is the best computer programme for a farm business? (6.0 Marks)
- d) Who is the book keeper and what are the most common book keeping systems you know? (5.0 Marks)

QUESTION 3.

- a). Enumerate any five (5) of the advantages of the double entry system (5.0 Marks)
- b). What is a balance sheet? (6.0 Marks)

c). Explain the relationship between the following financial statements that are kept on the farm. (9.0

Marks)

i) Current Ratio (Liquidity) (3 mks)

ii) Debt to Asset Ratio (Solvency) (3 mks)

iii) Earned financial progress (profitability): (3 mks)

d. Describing farm funds as a complete farm accounting software. (3 mks)

QUESTION 4.

a). Write short notes on ANY ONE (1) of the following; (6 mks)

i). Simple cash systems (3 mks)

ii). Farm cash accrual system (3 Marks)

b). The decision to go beyond just keeping record using various systems may be influenced by the size of the farm. But choosing the best system need to be guided by certain factors. Enumerate the guiding factors. (6.0 Marks)

c). Explain book keeping within its area and scope. (6.0 Marks)

d). How do you balance-off accounts giving examples? (5.0 Marks)