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**NATIONAL OPEN UNIVERSITY OF NIGERIA**

**FACULTY OF AGRICULTURAL SCIENCES**

**DEPARTMENT OF AGRICULTURAL ECONOMICS AND EXTENSION**

**FIRST SEMESTER 2019 EXAMINATION**

**Programme: Agricultural Extension and Management**

**Course Code: AEC306 Course Title: Farm Record and Accounting**

**Credit Unit: 2**

**Total Score: 70 Marks Time Allowed: 2 Hours**

**Instruction: Answer question one (1) and any other three (3) Questions**

1ai. Vividly explain what you understand by farm records **(5marks).**

 ii. What is bad debt? **(2marks)**

 iii. State three (3) circumstances under which a bad debt can occur **(3marks).**

 iv. Identify the methods used as provision for bad debit **(2marks)**

b.i. Using the straight line method calculate the depreciation charge per annum on a machine costing N150, 000

 having a lifespan of five years with a break –off value of N5,000 at the end of its useful life **(3marks).**

 ii. Outline the advantages and disadvantages of the straight line method of calculating depreciation **(2marks).**

 iii. State the four variants of the farm accounting system? **(4marks)**

 iv State the four major ways by which farm assets can be valued **(4marks).**

2ai.What is farm funds? **(2marks)**

 ii. State and explain the two ways constructing a trial balance **(6marks)**

 iii. Outline the procedure for extracting the trial balance **(2marks)**

 b. Explain what you understand by profit and loss appropriation account **(5marks)**

3a. Explain the following terms

 i. Original value **(1mark)**

 ii. Residual value **(4marks)**

b. Outline the five general principles of record keeping **(10marks)**

4a Farm record keepers can pick their software from four groups. List these four **(6marks)**

 b. Suggest what happens in accounting entry:

 i. Where there is no separate provision for bad debt **(5marks)**

ii. Where separate provision for doubtful debt is maintained **(4marks)**

5i.State one (1) advantages and two (2) disadvantages of the declining balance method of calculating

 depreciation **(3marks)**

 ii. State the objectives of charging depreciation **(4marks)**

iii. What are the purposes for the trial balance? **(3marks)**

 iv Vividly explain what you understand by online bookkeeping or remote bookkeeping **(5marks).**

6a. Write short note onresources Inventories **(10marks)**

b. State the appropriate criteria for how much and what management information to record **(2marks)**

c. State the tools for financial analysis **(3marks)**