



NATIONAL OPEN UNIVERSITY OF NIGERIA
University Village, Nnamdi Azikwe Express Way, Jabi, Abuja
Faculty of Agricultural Sciences
Department of Agricultural Economics and Extension
KM 4 Kaduna Zaria Express Way, Kaduna
2023_1 POP EXAMINATION.

Course Code: AEA306

Course Title: Farm Records and Accounting

Course Unit: 2 Credit

Time Allowed: 2 Hours

Instruction: Answer Three (3) Questions Only

Q1a) Discuss the concept of farm record? (9 marks)

b) State four (4) principles of farm record **(8 marks)**

c) Discuss the Uses of Income and Expenses Farm Record. **(7 marks)**

(Total =24 marks)

Q 2a) Differentiate between record keeping and record analysis. (4 marks)

b) In a tabular form illustrate the Hand system farm enterprise record keeping. **(4 marks)**

c) Define five (5) of the following terms:

i. Balance sheet

ii. Current ratio

iii. Debt to asset ratio

iv. Earned financial progress

v. Net farm income

vi. Return on Asset

(15 marks)

(Total = 23 marks)

3a) State six (6) objectives of Double entry system: (6 marks)

b) i. State and explain the golden rules of double-entry bookkeeping system. **(3 marks)**

ii. differentiate hand system of recording from computerized system of recording. **(6 marks)**

c) State the major features of the farm funds. **(8 marks)**

(Total = 23 marks)

Q 4a) i. What is depreciation? (3 marks)

ii. A machine costs N200,000 and the rate of depreciation for it is 20% per annum. Using reducing balance method, you are required to calculate the depreciation charge on the machine for 4 years. **(10½ marks)**

b) Calculate the depreciation charge per annum on a machine costing N300,000 having a life span of five years with a salvage value of N10,000 at the end of its useful life. **(5½ marks)**

c) Of what use is the Returns on Equity ratio in farm financial analysis.? **(4 marks)**

(Total = 23 marks)

Q5a) Write Short note on the following:

i. Book keeping.

ii. Double-entry system.

iii. Trial balance **(18 marks)**

b) State and explain two (2) ways of constructing a trial balance. **(5 marks)**

(Total = 23 marks)