



NATIONAL OPEN UNIVERSITY OF NIGERIA
Plot 91 Cadastral Zone Nnamdi Azikiwe Express Way, Jabi-Abuja
FACULTY OF MANAGEMENT SCIENCES
DEPARTMENT OF FINANCIAL STUDIES
2024 1 EXAMINATION

Course Code: ACC311

Credit Unit: 3

Course Title: FINANCIAL ACCOUNTING

Time Allowed: 3 HOURS

Instructions:

1. Attempt Question 1 and any other three (3) Questions.
2. Question 1 is compulsory and carries 25 marks while the other 3 Questions carry 15 marks each.
3. Present all your points in a coherent and orderly manner.

1. a. What are the TWO (2) types of departments? (2 marks)
 b. List the THREE (3) methods for treating inter-departmental transfers? (3 marks)
 c. Rityu Ltd. is a kid's store with three departments – techy, scrubby, and foodie. The trial balance (extract) and additional information of Rityu Ltd. is available to you as their new accounting executive.

	Techy N	Scrubby N	Foodie N	Total N
Purchases	123,231,800.87	111,009,712.34	90,453,120.00	
Returns inward	111,389.50	-	213,312.29	
Returns outward	450,000.00	90,131.46	-	
Revenue	343,121,000.11	241,670,935.09	310,001,234.01	
Salaries	120,000,000.00	58,900,000.00	64,560,700.00	
Opening inventory	5,612,343.00	1,972,315.00	223,400.00	
Advertising				81,000,000.00
Insurance (Administrative expenses)				65,000,000.00
Rent				37,000,000.00
Other administrative expenses				1,467,658.00
Other selling and distribution expenses				642,955.00

Additional information:

1. Closing inventory and floor spaces are as follows:

	Closing inventory (N)	Floor space (sqm)
Techy	4,812,343.09	612
Scrubby	1,884,434.06	309
Foodie	209,176.50	211

2. Advertising and insurance should be apportioned based on purchase figures, while rent should be apportioned based on floor space. Other expenses should be apportioned equally.

You are required to: