



NATIONAL OPEN UNIVERSITY OF NIGERIA
PLOT 91, CADASTRAL ZONE, NNAMDI AZIKIWE EXPRESSWAY, JABI, ABUJA
FACULTY OF MANAGEMENT SCIENCES
2024 1 EXAMINATION

COURSE CODE: ACC 757 **CREDIT UNIT: 2**
COURSE TITLE: PRINCIPLES OF ACCOUNTING
TIME ALLOWED: 2 Hours
INSTRUCTIONS: 1. Attempt question Number one (1) and any other two (2).
2. Question number 1 is compulsory and carries 30 marks, while the other questions carry 20 marks each
3. Present all your points in a coherent and orderly manner

QUESTION ONE

- (a) State five advantages and disadvantages of partnership (10marks)
- (b) Ajebota Ltd and AjepakoLtd decided to form a Joint Venture on the 1st Jan, 2007. The following is the details of the transactions

Name	Particulars	N
Ajebota Ltd	Purchased goods	540,000
Ajebota Ltd	Paid wages	60,000
Ajepako Ltd	Settled transport	36,000
Ajebota Ltd	Electricity bill	96,000
Ajebota Ltd	Handling charges	54,000
Ajebota Ltd	Received cash proceeds	960,000

You are required to prepare the Joint Venture Accounts and Memorandum of Joint Venture Account for the Joint Venture business of Ajebota Ltd and Ajepako Ltd (10marks)

- (c) State the characteristics of Not-for-Profit making organizations (10marks)

QUESTION TWO

- (a) State the procedures for posting in income and expenditure Account 10marks