

NATIONAL OPEN UNIVERSITY OF NIGERIA
91, CADASTRAL ZONE, UNIVERSITY VILLAGE, JABI, ABUJA
FACULTY OF MANAGEMENT SCIENCES
JANUARY 2018 EXAMINATION
EXAM QUESTIONS

COURSE CODE: CRD 405

CREDIT UNIT: 3

COURSE TITLE: ACCOUNTING AND AUDITING FOR COOPERATIVES

TIME ALLOWED: 2 HOURS

Instructions: 1. Attempt question Number one (1) and any other two (2).
2. Question number 1 is Compulsory and carries 25 marks,
while the other questions carry 15 marks each.

3. Present all your points in coherent and orderly manner

1. The list of balances of OLUWASEYI Co-operative Society of Lagos transactions for the year ended 31st December, 2016 include the following:

	₦
Entrance Fees 1	147,500
Fine Received from members	37,000
Interest on Bank Deposit	20,500
Postage and Stationery	5,000
Bank Charges	12,000
Entertainment Expenses	28,000
Wages & Salaries of Staff	150,000
Transportation Costs	40,000
Rent Received	16,000
Interest on Loan to Member	55,000
Members Contribution Received	231,500
Fine paid to Lagos State Govt	21,000
Office Maintenance	13,000
Cost of Seminar Organized	175,000
General Expenses	1,000
Furniture and Fittings	850,000
Rent and Rates	15,000
Investment	100,000
Investment Income	20,000
Long-Term loan from bank	580,000
Deposit from members	2,000,000
Stabilization Fund	7,500
Reserves	5,000

- 30 July 2017 Transfer charges (N3000) and bank commission (N7000) not yet recorded in the cash book.
- 31 July 2017 Interest of N240,000 credited by bank not yet entered into the cash book.
- 31 July 2017 Cheque Nos. 311, 316 and 317 in favour S. Bakare, Johnny D. and David K. for N60,000, N160,000 and N70,000 respectively, have not been presented for payment.

You are required to

- (i) Adjust the cashbook(5 marks)
- (ii) prepare a bank reconciliation statement.(5 marks)

TOTAL 15 MARKS

3. BELLS Cooperative brought forward balances of ₦2,000 and ₦13,200 for cash and bank respectively, from June, 2017 account. The following transactions took place:

		₦
July2	Cheque received	11,500.00
July3	Cash sales	8,200.00
July6	Paid rent by cash	3,500.00
July7	Banked part of cash	5,000.00
July 14	Cash sales (paid through the Bank)	4,000.00
July 23	Paid by cheque	17,700.00
July 29	Cash withdrawal for use	12,000.00
July 31	Wages paid in cash	11,800.00

You are required to write-up a two-column cash book for this company and balance off at the end of July, 2017. (15 marks)

TOTAL 15 MARKS

4.a. What are the qualities expected of a cooperative auditor? (10 marks)

b. State five functions of a cooperative auditor. (5 marks)

5. Differentiate between the following;

a Capital expenditure and Revenue expenditure.(5 marks)

b Accounts receivable and Accounts payable.(5 marks)

c Capital receipts and Revenue receipts (5 marks)

TOTAL 15 MARKS

6. Discuss the various types of Audit report issued by a cooperative auditor (15 marks)

TOTAL 15 MARKS