



NATIONAL OPEN UNIVERSITY OF NIGERIA
91, CADASTRAL ZONE, UNIVERSITY VILLAGE, JABI, ABUJA
FACULTY OF MANAGEMENT SCIENCES
JUNE/JULY 2017 EXAMINATION

COURSE CODE: COP 416

CREDIT UNIT: 2

COURSE TITLE: COOPERATIVE ACCOUNTING

TIME ALLOWED: 2 HOURS

Instruction: 1. Attempt question number one (1) and any other two (2)

**2. Question number one (1) is compulsory and attracts 30 marks,
while any other two questions attract 20 marks each**

3. Present your answers any points in a clearly and orderly manner

QUESTION 1: From the following trial balance of Taiwo enterprise Ltd. Prepare Trading, Profit and Loss Account as well as Balance Sheet taking into consideration the adjustment zone below:

Trial balance as at 31 st December 2016	DR	CR
Sales		80,000
Purchases	70,000	
Sales return	1,000	
Purchase return		1,240
Opening as at January 1 st 2016	20,000	
Provision for bad debt		160
Wages & salary	7,200	
Communication bill	200	
Store fitting at cost	8,000	
Delivery van cost	6,000	
Debtors and Creditors	1,960	1,400
Bad debt	40	
Capital		35,800
Bank balance	600	
Drawings	<u>3,600</u>	

Additional information:

- a. closing stock as at 31st December 2016 is 2,400
- b. accrued wages 450
- c. communication prepaid 20
- d. the provision for bad debt to be increase to 10% (Debtor)
- e. Depreciation on store fittings at 10% per annum and delivery van at 20% per annum.

(30 Marks)

QUESTION 2:

- a. In respect to Cooperative Enterprise Define Book-keeping **(3 Marks)**
- b. Highlight the Objectives of Book-keeping in Cooperative Enterprise **(10 Marks)**
- c. States the Subsidiary Books normally used in Financial Accounting **(7 Marks)**

QUESTION 3:

- a. Highlights the most common 10 characteristics of sole proprietorship **(5Marks)**
- b. It is believed that the amount of capital invested in one man business is not necessarily fixed but such capital invested should be vary year to year. Then Highlight the factors that determine variation in the amount of capital invested in one man business. **(6 Marks)**
- c. Briefly explain how the items on the cash book are been treated **(9 Marks)**

QUESTION 4:

- a) Discuss how to post and treat account receivable and account payable **(6Marks)**
- b). What is the meaning of Incomplete Records and discuss what situation that can lead to incomplete record **(9 Marks)**
- c). Highlight the characteristics of nongovernmental organization **(5 Marks)**

QUESTION 5:

- a). Define Control Account **(4 Marks)**
- b). Highlight the Advantages of Control Account **(6 Marks)**
- c). Explain the Accounting Treatment of how creditor and debtor are been treated and posted in Control Accounts **(10 Marks)**