

13

KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS
2021/2022 ACADEMIC YEAR
THIRD YEAR SECOND SEMESTER
MAIN EXAMINATION

**FOR THE DEGREE OF BACHELOR OF
COMMERCE**

COURSE CODE: BCE 355E

**COURSE TITLE: MANAGEMENT OF
COOPERATIVES**

DATE: 02/09/2022

TIME: 9.00 – 11.00AM

INSTRUCTION TO CANDIDATES

- 1) The paper contains **FIVE** questions
- 2) Attempt **THREE** questions
- 3) Question **ONE** is Compulsory

TIME: 2 Hours

KIBU observes ZERO tolerance to examination cheating

QUESTION ONE

a). In the Standardized Accounting, a system has been developed to be used in a number of co-operatives. Every account is identified by a number consisting of six digits. Identify what each of the Xs in numbering of accounts stands for in the illustration below (10 marks)

XXX – XXX

b). Despite the gains made in the cooperative sector, there are still problems that hinder the full achievement of the benefits of cooperatives. In your opinion is this true? (10 marks)

c). Most cooperative societies have stagnated or remained small due to lack of capital, unlike limited companies who can access large sources of capital for expansion. What factors have led to this state of affairs? (10 marks)

QUESTION TWO

a). What is MT- System? (3 marks)

b). What are the objectives of MT- System? (7 marks)

c). Co-operatives in Kenya operate under the ministry of co-operatives. What services does the government, through this ministry provide to co-operative societies? (10 marks)

QUESTION THREE

a). A Budget is a forecast of what the cooperative committee hopes to achieve from its management of the society in the coming financial period. Briefly indicate the qualities of a good budget (10 marks)

b). Once a cooperative has been registered, it is required to hold its first general meeting within one month of receiving the certificate of registration from the Commissioner. Explain the issues to be handled during this first meeting. (10 marks)

QUESTION FOUR

a). Standardized Accounting system (SAS) is the use of similar accounting procedures in recoding and accounting system. It means that similar documents, books of accounts are used in all societies of the same type or handling the same kind of similar produce. What are the objectives of SAS? (10 marks)

b). What are the chairman's role and authority in the general assembly? (10 marks)

QUESTION FIVE

- a). "General Body", means all the members of the Society and in relation to a national cooperative society or a federal cooperative means all the delegates of member cooperative societies or delegates of multi state cooperative society and includes a body constituted under the provisions of the Act. What are the responsibilities of this body in a cooperative society? (15 marks)
- b). In which cases is the registrar permitted to order the liquidation of cooperative (5 marks)