

Reg. No. : .....

Name : .....

**Sixth Semester B.Com. Degree Examination, March 2021**

**First Degree Programme under CBCSS**

**Stream 2 : Co-Operation**

**Elective Course IV : CO 1661.2**

**CO-OPERATIVE ACCOUNTING**

**(2018 Admission Regular)**

Time : 3 Hours

Max. Marks : 80

**SECTION – A**

Answer **all** questions. Each question carries **1** mark.

1. Define Day Book.
2. What is rectification register?
3. What is receipts and disbursement statement?
4. What do you mean by Rule 29?
5. What is bad and doubtful debt reserve?
6. What is reserve fund?
7. What is subsidy?
8. What is mechanical audit?
9. What is vouching?
10. What is an audit programme?

**(10 × 1 = 10 Marks)**

P.T.O.

## SECTION – B

Answer **any eight** questions. Each question carries **2** marks.

11. What are the operational principles for co-operative accounting and audit?
12. What is a credit limit statement?
13. What are entrance fees?
14. What are the different modes of investment of funds by co-operative societies?
15. What is team audit?
16. What do you mean by dividend equalization fund?
17. Explain briefly Trial Balance in co-operatives.
18. Explain savings bank account in co-operatives.
19. What is a liability register?
20. Define accounting.
21. How do co-operatives dispose off reserve fund in the event of winding up?
22. Explain the accounting cycle in a co-operative organization.
23. How do you treat the interest accrued and not overdue in final accounts?
24. Explain the accounting treatment of overdue interest in co-operative banks.
25. Explain the different modes of investment of Reserve Fund.
26. What is audit memorandum?

**(8 × 2 = 16 Marks)**

## SECTION – C

Answer **any six** questions. Each question carries **4** marks.

27. Explain the special features of co-operative accounting.
28. Explain the main objects of audit.
29. Explain fluid resources.
30. Explain the disposal of Net profit of a co-operative society.
31. Explain the special features of co-operative audit.
32. Explain the different types of deposits received by co-operative banks.
33. Explain broad principles for awarding audit classification to different types of societies.
34. Explain briefly the powers and duties of co-operative auditor.
35. From the following information relating to Paravur Fishery Co-operative Society, prepare Trading and Profit and Loss Account for the year ended 31<sup>st</sup> March. 2020.

Opening stock Rs. 3,15,700; Carriage inwards Rs. 85,743; Sales Rs. 43,30,200; Discount received Rs. 1,05,000; Purchase returns Rs. 22,596; Interest paid Rs. 8,865; Establishment expenses Rs. 2,29,678; Purchases Rs. 40,27,555; Sales returns 6,427; Taxed paid Rs. 41,355; Miscellaneous income Rs. 8,974; Interest received Rs. 41,769. The following additional information is also available :

- (a) Depreciation on Furniture Rs. 2,100
- (b) Closing stock Rs. 2,65,200
- (c) Create Reserve for bad debts at Rs. 3,468

36. From the following balances extracted from the books of Ulloor Primary Housing Co-operative as on 31<sup>st</sup> March, 2020, prepare their Balance Sheet.

Share capital Rs. 5,71,500; Cash in hand Rs. 1,08,000; Borrowing from KSCHF Rs. 14,85,000; Cash at bank Rs. 5,04,000; Deposits Rs. 8,70,000; Reserve Fund invested Rs. 1,92,000; Stock Rs. 2,25,000; Reserve fund un invested Rs. 1,11,285; Loan to members Rs. 22,83,000; Land and Buildings Rs. 1,50,000; Common good fund Rs. 18,000; Interest accrued not overdue Rs. 1,50,000; Reserve fund invested (Dr.) 1,92,000; Furniture Rs. 86,400; Net profit Rs. 1,20,615.

37. Prepare a Receipts and Disbursement statement of Kattakada Marketing Co-operative Society for the year ended 31<sup>st</sup> March, 2020 from the following details :

Opening balance Rs. 65,565; Loan repaid Rs. 6,72,860; Interest paid on loan Rs. 1,14,270; Share capital Rs. 34,500; Share capital repaid Rs. 8,530; Deposits Rs. 1,18,270; Deposits repaid Rs. 16,360; Interest paid on deposit Rs. 6,210; Godown subsidy from Govt. Rs. 22,550; Sale as agent Rs. 8,47,475; Sale of bags Rs. 6,268; Sale as owner Rs. 16,225; Trade income Rs. 57,272; Loans Rs. 11,24,690 Interest on loan Rs. 15,849; Purchase as owner Rs. 12,486; Purchase as agent Rs. 7,53,567.

38. Prepare a Receipts and Disbursement Statement of Kottiyam Industrial Co-operative Society for the year ended 31<sup>st</sup> March, 2020 :

Share capital (members) Rs. 50,000; Share capital repaid Rs. 5,000; Deposits Rs. 1,50,000; Deposits repaid Rs. 22,000; Borrowings Rs. 2,00,000; Borrowings repaid Rs. 68,000; Interest paid Rs. 12,360; Loans from members Rs. 60,000; Interest received Rs. 26,580 ; Loan to members Rs. 1,20,000; Miscellaneous receipts Rs. 8,600; Opening balance Rs. 2,22,000; Contingent charges Rs. 7,540; Deposit in bank account Rs. 1,62,000.

(6 × 4 = 24 Marks)

#### SECTION – D

Answer **any two** questions. Each question carries **15** marks.

39. Explain briefly different types of books and registers maintained by co-operative societies as per the provisions of Co-operative Societies Act and Rules.

40. Define co-operative audit. Explain the procedure for audit of co-operative societies as per the provisions of the Act.
41. Explain the different forms of state aid to co-operative societies.
42. From the following balances extracted from the books of State Co-operative Bank as on 31<sup>st</sup> March, 2020, you are required to prepare a Trial Balance for the year ended 31<sup>st</sup> March 2020.

	(Rs. in Lakhs)
Authorized capital	200
Subscribed and paid up capital	100
Investment	350
Bills discounted	750
Profit and Loss Account (Cr.)	45
Endorsements on Bills negotiated	5
Liability of customers for acceptance	250
Money at call and short notice	450
Cash in hand	100
Cash with RBI	200
Reserves	150
Cash with SBI	200
Circular Notes	50
Letters of credit	25
Telegraphic transfers payable	15
Bank drafts	10
Borrowings from other banks	2
Rebate of bills discounted	1
Acceptance for customers	250
Loans	500
Cash credit	500
Bank overdraft	50

	(Rs. in Lakhs)
Bills purchased	50
Current and deposit account	2,800
Investment fluctuation account	5
Bills negotiated	5
Premises	53

43. From the following particulars relating to Oliyanadu Milk Supply Co-operative society as 31<sup>st</sup> March 2020, prepare a Receipts and Disbursement Statement for the year ending 31<sup>st</sup> March 2020

Credit balances :	Rs.	Debit balances :	Rs.
Opening balance	12,800	Loans to members	2,16,300
Share capital (members)	5,600	Share capital (members)	1,400
Sales of branch	4,13,000	Purchases of branches	3,45,800
Milk order deposit	59,500	Establishment charges	1,38,600
Milk handling commission	1,24,500	Printing and stationary	20,300
Interest on loan (members)	12,000	Milk purchase A/c :	
Loan to members	2,55,500	Members	36,20,000
Manure sales	4,900	Non members	4,47,000
Bank withdrawals	19,60,000	Bank remittances	21,28,700
Milk supplies A/c :		Tax	7,700
Members	36,20,000	Transportation charges	17,500
Non members	4,61,000	Members thrift deposit	18,900
Sale of Milk (coupons)	35,84,000	Postage	2,100
Sale of Milk (cash)	4,85,500	Office rent	14,000
Interest of FD	4,200	Electricity charges	2,800
Staff security deposit	5,600	Contingencies	9,100
Cattle shed rent	4,800	Furniture	5,600
Members thrift deposit	19,600	Yard rent	21,000

Miscellaneous receipts	18,800	Milk supplies :	
Milk coupon account	35,92,400	Members	35,05,000
		Non-members	4,85,000
		Milk coupon account	35,84,000
		Purchases advances	14,000
		General body expenses	4,200

44. From the following Balance Sheet as on 31<sup>st</sup> March, 2019 and Receipts and Disbursement Statement of a Service Co-operative Bank for the year 2019-20 and the adjustments. prepare Profit and loss Account and Balance Sheet as on 31<sup>st</sup> March, 2020.

- Transfer 15% of the net profit to Statutory Reserve Fund.
- The net profit for 2018-19 has not been appropriated and other undistributed profits have not yet been distributed.
- The interest not overdue on loan with members is Rs. 50,000 and interest on overdue as on 31<sup>st</sup> March, 2020 is Rs. 25,000.
- Depreciation at 10% is to be charged on Furniture.
- Interest payable on borrowing as on 31<sup>st</sup> March, 2020 is Rs. 30,000.

Balance Sheet as on 31-03-2019

Liabilities	Rs.	Assets	Rs.
Share Capital	1,75,500	Cash in hand	9,500
Borrowings from DCB	5,10,000	Cash at bank	68,000
Deposits	2,40,000	Share in DCB	65,000
Reserve Fund invested	64,000	Loan to members	7,10,000
Reserve Fund un invested	30,000	Advance due to	2,15,000
Common good fund	6,000	Interest accrued due	
Establishment and		but not overdue	65,000
Contingencies	10,000	Interest on overdue	34,500

Advance due by	1,40,000	Reserve fund invested	64,000
Interest payable	40,000	Miscellaneous due	4,000
Reserve for overdue interest	34,500	Furniture	30,000
Reserve for bad and Doubtful debts	10,000	Land and buildings	50,000
Undistributed profits	10,000		
Net profit	45,000		
Total	<u>13,15,000</u>		<u>13,15,000</u>

Receipts and Disbursement for the year ended 31<sup>st</sup> March, 2020

Receipts	Rs.	Payments	Rs.
To share capital	20,000	By share capital	5,000
To deposits	1,60,000	By deposits	1,10,000
To Borrowing from DCB	7,00,000	By borrowing from DCB	7,15,000
To loan returned by members	6,49,000	By loan to members	7,00,000
To advance due by	2,00,000	By advance due by	2,10,000
To advance due to	2,50,000	By advance due to	1,50,000
To miscellaneous income	74,500	By interest on over dues	1,45,000
To interest on loan received	2,00,000	By furniture	2,000
To withdrawals from bank	10,50,000	By establishment and contingencies	90,000
To opening cash balance	9,500	By investment in bank	11,50,000
		By cash in hand (closing)	36,000
Total	<u>33,13,000</u>		<u>33,13,000</u>

(2 × 15 = 30 Marks)