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CO OPERATIVE ACCOUNTING

SIXTH SEMESTER B.COM

(Total 6 pages)

1. Cooperative societies using.....
 - a) Single Entry principle
 - b) double entry principle
 - c) No standard Principles
 - d) Other Principles of accounting
2. All cash and non cash transactions are recorded in.....Day Book / Cash Book
 - a) Cash Book
 - b) Day Book
 - c) Bank book
 - d) Creditors Ledger
3. Co operative societies maintain accounts as per co operative societies rule
 - a) Rule 29
 - b) Rule 35
 - c) rule 15
 - d) none of these
4.Register is maintained for rectifying mistakes committed while entering and recording transactions
 - a) Suspense account Register
 - b) Register of mistakes
 - c) Liability register
 - d) Rectification Register
5.represents the initial contribution made by a member towards the resources of the society for the purpose of getting the benefits form the society
 - a) Entrance fee
 - b) admission fee
 - c) Share capital
 - d) corpus
6. Amount given by bank but a part of which is not repayable is called:
 - a) Subsidy
 - b) grant
 - c) Loan
 - d) advance
7. Amount given by the government in which there is no repayment expected is called :
 - a) Grant
 - b) loan
 - c) advance
 - d) Subsidy
8. The trial balance of primary cooperative societies /Banks is called

- a) Receipts and disbursement statement b) Day book
- c) Cash and Bank Book d) none of these
9. Arithmetical accuracy can be checked by preparing
a) Cash Book b) Balance Sheet c) Profit and Loss account d) Trial Balance
10. The surplus of the society is disposed as
a) Proviso is made development of the society b) Provision is made for Common reserve
c) Distributing among members c) All the above
11. Profit and loss account is prepared to know the
a) Profit b) Loss c) Profit or Loss d) risk
12. Who is the administrative head of the cooperative movement in every state
a) The register b) President c) Secretary d) General Body
 → The Registrar (Spelling corrected)
13. The main objective of cooperative audit is
a) Detection of errors b) Detection of Fraud
c) Ascertaining the Correctness of Account d) all the above
14. In India the cooperative movement was officially launched with the passing of the first all India Act in
a) 1979 b) 1905 c) 1912 d) 1904
15. The book which records the proceeding of the meeting
A) Minute Book b) Day book c) register d) None of these
16. Co operative audit is done by
a) Auditors of Cooperative Department b) Chartered accountant
c) Third party auditor d) Members
17. Documentary evidence in support of a transaction is called

- a) Voucher b) Invoice c) ledger d) File
18. Detailed scheme set by auditor for carrying out the audit job is called
a) Audit Programme b) check list c) Audit note Book d) Voucher Book
19. Amount paid by the co operative society to the department for hiring the service of audit personnels in the Department
a) Audit fee b) Audit Cost c) accounting Charges d) levy
20. The audit is the primary responsibility of
a) The President b) The Registrar c) Secretary d) General Body
21. Audit Conducted as per the provisions of the cooperative societies Act and rules are called
a) Statutory audit b) Compulsory audit c) General audit d) concurrent audit
22. is the primary duty of the auditor of the co operative society
a) Physical Verification of cash balance with the Day book b) Preparation of Audit Note
c) Verification of over due debt d) Preparation of reconciliation statements
23. Audit Certificate is the summarized form of audit note
a) Audit check list b) Audit programme c) Audit Certificate d) summary of defects
24. It is the amount payable by the society to auditors
a) Audit fee b) Audit Cost c) premium d) remuneration
25. is the back bone of auditing
a) Posting b) Vouching c) Verification d) cancel the voucher
26. is an examination of administration or management of the society and is a particular feature of co operative audit
a) Management audit b) statutory audit c) Cost audit d) Financial audit
27. Provision for bonus to employees is shown in

- a) Liability side of the Balance Sheet b) Credit Side of the profit and loss account
d) Trial Balance d) other Books
28. verification of fixed asset by the auditor should be made with reference to the
a) documents relating to their acquisition b) only with the Invoice
c) Cash Book d) Purchase register
29. Every cooperative society shall maintain accounts and book for the purpose of recording business transactions by it and close them every year on
a) 31st December, by the 31st January b) 31st March, by the 30th April.
→ please see the explanation given at the end
c) 30th June, by the 31st July d) 30th September, by 31st October
30. If the totals of two sides of trial balances agree, normally it signifies theof the accounts.
a) Correctness b) Accuracy c) Arithmetical accuracy d) True and fair view
31. In the case of non trading societies such as Co -operative Education Societies, hospital, societies and similar other types of societies, which do not undertake trading activities, it is common to term the "Profit and Loss Account" as.....
a) Revenue Account b) Income and Expenditure Account
c) Profit statement d) Both (a) and (b)
→ please see the explanation given at the end
32. The word 'Auditor' is derived from the Latin wordmeaning to hear
a) Audire b) Audio c) percieve d) to Listen

33. Registered debentures, stocks and shares, Government Securities, Inscribed stocks and Bearer bonds and share warrants are.....
- a)Current assets b)floating Asset c)Investments d)Fixed Assets
34.is a Register,showing the name and address of each member, the date of admission, the shares taken by him and the amount of share capital, if any refunded to him together with the date of each such payment and refund
- a)Nomination Register b)share application register
c)Admission register d)Minutes Book
35. Every society shall maintain.....,showing deposits and other borrowings of all kinds .
- a) General Ledger b)Ledger of Borrowing
c)Register of Monthly Receipts and Disbursement d)None of the above
36. Book of Original entry in co operative societies accounting is
- a) Cash book b)register c)Voucher d) Ledger
37.Means assets which may be converted into ready cash
- a)Current Assets b)Liquid Cover c)Profit cover d)Contingent Asset
38.is a own fund of a societies
- a)Loan b)debentures c)Share Capital d)None of these
39. Principal partnership fund shall be utilized by
- a) Apex Society b)Central Society c)Primary Society d)None of these
40. DCB stands for
- a)Development Cooperative Bank b)District Co Operative Bank
c)District Committee Bank d)Debt Collecting Bank

Explanation to Question Number 31

Revenue account and income and expenditure account: In the case of non trading societies such as Co-operative Education Societies, hospital, societies and similar other types of societies, which do not undertake trading activities, it is common to term the "Profit and Loss Account" as "**Revenue Account**" or the "**Income and Expenditure Account**". However the principles for preparing these accounts are more or less the same as that for preparing the profit and loss account, the object being to disclose the excess of income over expenditure, or the deficit incurred during the period. [KERALA COOPERATIVE AUDIT MANUEL VOLUME I PART III CHAPTER II]

Explanation to Question Number 29

[This question may not be relevant in Kerala State, however the question is relevant in Delhi]

"**Year** shall ordinarily mean the period commencing on the **first day of July of any year and ending with 30th of June of the succeeding year.**" With the previous permission of Registrar any registered society or class of societies may change its year to any other date. For example: the accounting year of School/College Co-operative Stores is from 1st January to 31st December'. [KERALA COOPERATIVE AUDIT MANUEL VOLUME I PART I CHAPTERS I&II]

CLOSING OF ACCOUNTS [REGISTRAR OF CO-OPERATIVE SOCIETIES, GOVT. OF DELHI]

Every co-operative society shall maintain accounts and book for the purpose of recording business transactions by it and close them every year on **31st March, by the 30th April**. Each closing entry in the cashbook, in each ledger account shall be signed by the President, the Secretary and the Treasurer or any other approved members of the society authorised by the Managing Committee. The closing balances, which are thus authenticated, shall be carried forward to the following year commencing on the 1st April. For the purposes of calling the annual general body meeting as provided in section 29, the date fixed for making up the accounts for the year shall be 30th April of each year (Amended on 18.5.89)

Source:

http://delhi.gov.in/wps/wcm/connect/doit_rcs/RCS/Home/Acts+and+Rules/Th

[e+Delhi+Cooperative+Societies+Act+1973/Chapter+4](http://delhi.gov.in/wps/wcm/connect/doit_rcs/RCS/Home/Acts+and+Rules/Th)