



NATIONAL OPEN UNIVERSITY OF NIGERIA
PLOT 91, CADASTRAL ZONE, NNAMDI AZIKIWE EXPRESSWAY, JABI, ABUJA
FACULTY OF MANAGEMENT SCIENCES
2024_1 EXAMINATION.

COURSE CODE: ACC 407

CREDIT UNIT: 2

COURSE TITLE: ACCOUNTING AND AUDITING FOR COOPERATIVE

TIME ALLOWED: 2 Hours

- INSTRUCTIONS:**
- 1. Attempt question Number one (1) and any other two (2).**
 - 2. Question number 1 is compulsory and carries 30 marks, while the other questions carry 20 marks each**
 - 3. Present all your points in a coherent and orderly manner**
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QUESTION ONE

- (a) Prevention of fraud and error can be mitigated or ameliorated through several procedures. State these procedures **(10marks)**
- (b) Explain the two types of audit report **(5marks)**
- (c) State the powers of the director regarding the auditing of cooperative societies **(6marks)**
- (d) Users of accounting information are divided into two. Explain them. **(4marks)**
- (e) Distinguish between account receivable and accounts payable **(5marks)**

QUESTION TWO

- (a) Johnson ventures started business on 1st January, 2019 with a cash and bank balance of N500,000 and N400,000 respectively representing capital. Subsequently, the following transactions took place:
- 2nd Jan. Paid N200,000 of the cash into bank account.
- 4th Jan. Bought goods for resale N100,000 paying by cheque.
- 6th Jan. Credit sales N25,000.
- 8th Jan. Bought stationery item by cash N10,000.
- 10th Jan. Cash sales N50,000.
- 12th Jan. Mr Ongbese paid N25,000 by cheque for goods bought on credit.
- 14th Jan. Bought goods N120,000 on credit.
- 16th Jan. Paid rental expenses by cheque N50,000.
- 18th Jan. Paid cash of N20,000 into the bank account.
- 20th Jan. Cash sales of N100,000 out of which N60,000 was paid into the bank account.
- 22nd Jan. Paid half the amount (N120,000) owed trade creditors by cheque.
- 26th Jan. Introduced N200,000 cash into the business as additional capital
- 28th Jan. Took all the N200,000 cash introduced into bank account.
- 30th Jan. Paid the remaining N60,000 owed trade creditors by cheque.
- You are required to Prepare Johnson's cash book for the month of January, 2019 **((15marks))**