SCHOOL OF EDUCATION

UNIVERSITY END OF SEMESTER EXAMINATIONS

SEPTEMBER – DECEMBER SEMESTER 2022/2023

BMG 426: COOPERATIVE MANAGEMENT

DATE: **TIME 2 HOURS**

INSTRUCTIONS: ANSWER QUESTION ONE IN SECTION A AND ANY OTHER TWO QUESTIONS IN SECTION B.

SECTION A (COMPULSORY)

QUESTION ONE (30 MARKS)

a) The cooperative society is active in all countries worldwide and is represented in all the sectors of life.

Required:

Examine **five** features of a cooperative society. **(10 Marks)**

b) Co-operative societies have played an important role where profits earned have been used for providing basic amenities to the society.

Explain **five** limitations facing cooperative societies in Kenya **(10 Marks)**

c) Planning is the basic process of setting and selecting goals and determining how to achieve them.

Required:

Explain the importance of planning in cooperative societies **(10 Marks)**

SECTION B

QUESTION TWO (15 MARKS)

a) Co-operative survival in future will depend on the extent of the co-operation or integration among the various co-operative societies.

Required:

Analyze **five** barriers to cooperation among the cooperatives **(10 Marks)**

b) The Government of Kenya recognizes the co-operative movement as a critical player in pursuit of its national, social and economic objectives.

Required:

Explain with examples the role of national government in cooperative movement

(5 Marks)

QUESTION THREE (15 MARKS)

a) Cooperatives around the world operate according to the same set of core principles and values, adopted by the International Co-operative Alliance.

Required:

Discuss **five** principles of cooperative movement **(10 Marks)**

b) Store-keeping refers to the activities relating to purchasing, issuing, protecting, storing and recording of the materials.

Required:

Examine **five** objectives of store keeping in societies **(5 Marks)**

QUESTION FOUR (15 MARKS)

a) Internal control is the whole system of controls, financial and otherwise established by the management committee in order to carry on the business of the society in an orderly and efficient manner.

Required:

Describe **four** ways of enhancing the internal controls within cooperatives **(8 Marks)**

b) A budget is an estimation or projection of the financial performance and condition of an organization for a future time period.

Required:

Discuss **seven** purposes of budgeting within cooperative organizations **(7 Marks)**

QUESTION FIVE (15 MARKS)

a) Producer cooperatives are owned by people who produce similar types of goods or services.

Required:

Explain **five** advantages of producer's cooperative society **(10 Marks)**

b) A cooperative society is a voluntary association that started with the aim of the service of its members. It is a form of business where individuals belonging to the same class join their hands for the promotion of their common goals.

Required:

Outline **five** differences between a cooperative society and a company **(5 Marks)**