



MERU UNIVERSITY OF SCIENCE & TECHNOLOGY

Foundation of innovations

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University Examination 2016/2017

**FIRST YEAR, SECOND SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR
OF COOPERATIVE MANAGEMENT**

BFM 3152: PRINCIPLES OF COOPERATIVE MANAGEMENT

DATE: JUNE 2017

TIME: 2 HOURS

INSTRUCTIONS: Answer question **one** and any other **two** questions.

QUESTION ONE (30 MARKS)

- a) Cooperative is an organization owned by and operated for the benefits of those using its services. Briefly explain the principles of cooperatives. (8 marks)
- b) Explain the difference between council and management committee of a cooperative. (10 marks)
- c) Explain the role played by cooperatives in social economic development. (7 marks)
- d) Explain the functions of hired management in a cooperative society. (5 marks)

QUESTION TWO (20 MARKS)

- a) Explain the role of Government in a Cooperative Development. (10 marks)
- b) Cooperative is seen as a vehicle for socio economic development. Explain the benefits of forming cooperative organization. (10 marks)

QUESTION THREE (20 MARKS)

- a) Cooperative Act states that the supreme authority of a cooperative society shall be vested general meeting at which the member shall have the right to attend, participate and vote

on all the matters. Explain how this provision ensures the protection of the principle of democratic control of a cooperative by its members. (10 marks)

- b) Every cooperative society shall have a committee which shall be the governing body of the society and which shall direct the affairs of the cooperative society. Explain the powers of such a committee. (10 marks)

QUESTION FOUR (20 MARKS)

- a) Explain the legal effect of the registration of by-laws of a cooperative society. (10 marks)
- b) Discuss the outline provisions of the cooperative societies act governing the keeping of the books of accounts by a cooperative society. (10 marks)

QUESTION FIVE (20N MARKS)

- a) Discuss the powers of the registrar of cooperatives. (10 marks)
- b) Explain the provisions of the Cooperatives Act (Cap 486) as they apply to cooperatives societies in relation to registration. (10 marks)