Abstract

This paper analyses the costs associated with each type of accounting methods, i.e., joint vs. separate accounting, cooperative vs. extra-cooperative results, always keeping in mind the degree of fiscal protection of the cooperative entity. The aim is to determine the circumstances under which the joint accounting option is preferable to separate accounting, on the basis of net profit. The paper also quantifies the endowment for self-financing from retained earnings as well as the fiscal payment derived from the proposed scheme.

Keywords

Cooperative Society, net profit in a cooperative, extra-cooperative net profit, separate accounting, joint accounting.