

**Bachelor's Degree Programme
(BDP)**

**ASSIGNMENT
2020-21**

**Elective Course in Commerce
ECO – 02: Accountancy-I**

For July 2020 and January 2021 admission cycle



**School of Management Studies
Indira Gandhi National Open University
Maidan Garhi, New Delhi -110068**



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**Elective Course in Commerce
ECO – 02: Accountancy-I
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Dear Students,

As explained in the Programme Guide, you have to do one Tutor Marked Assignment in this Course.

Assignment is given 30% weightage in the final assessment. To be eligible to appear in the Term-end examination, it is compulsory for you to submit the assignment as per the schedule. Before attempting the assignments, you should carefully read the instructions given in the Programme Guide.

This assignment is valid for two admission cycles (**July 2020 and January 2021**). The validity is given below:

1. Those who are enrolled in **July 2020**, it is valid up to **June 2021**.
2. Those who are enrolled in **January 2021**, it is valid up to **December 2021**.

You have to submit the assignment of all the courses to The Coordinator of your Study Centre. For appearing in June Term-End Examination, you must submit assignment to the Coordinator of your study centre latest by **15th March**. Similarly for appearing in December Term-End Examination, you must submit assignments to the Coordinator of your study centre latest by **15th September**.

TUTOR MARKED ASSIGNMENT

COURSE CODE	:	ECO-02
COURSE TITLE	:	ACCOUNTANCY-I
ASSIGNMENT CODE	:	ECO-02/TMA/2020-21
COVERAGE	:	ALL BLOCKS

Maximum Marks: 100

Attempt all the questions:

1. What is meant by Bank Reconciliation Statement? What are the main causes of differences between the cash balance shown by Cash Book and Pass Book? Explain the steps involved in preparation of a Bank Reconciliation Statement. **(20)**

2. Give journal entries for the following adjustments and also explain the accounting treatment of these adjustments while preparing the Final Accounts of an Enterprise? **(20)**
 - i. Interest received in advance Rs. 600
 - ii. Interest on drawings Rs. 1200
 - iii. Provision for discount on creditors Rs. 400
 - iv. Loss of goods by theft Rs. 9,000
 - v. Drawings of goods by the proprietor Rs. 800

3.
 - a) What procedure is followed for valuation of closing stock when normal and abnormal losses occur simultaneously. Explain with suitable examples. **(10+10)**

 - b) Explain various methods of recording the joint venture transactions without maintaining separate set of books.

4. What are the salient features of Single Entry System? Discuss the drawbacks of Single Entry System of Accounting. Briefly explain the two methods of ascertaining profit when accounting records are incomplete. **(20)**

5. Explain the meaning of the following terms and show how will you treat them while preparing the final accounts of a non-trading concern? **(4X5)**
 - i. Legacy
 - ii. General Donation
 - iii. Life Membership Fees
 - iv. Receipts for Tournament Fund
 - v. Sale of used Sports Materials