

PCO - 01

**Bachelor's Preparatory Programme
(BPP)**

**ASSIGNMENTS
2018**

Preparatory Course in Commerce



**School of Management Studies
Indira Gandhi National Open University
Maidangarhi, New Delhi -110 068**

PCO – 01: Preparatory Course in Commerce ASSIGNMENTS 2018

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 (**January 2018 and July 2018**). The validity is given below:

1. Those who are enrolled in **January 2018**, it is valid up to **June 2018**.
2. Those who are enrolled in **July 2018**, it is valid up to **December 2018**.

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 30th April**. Similarly for appearing in **December Term-end Examination**, you must submit assignments to the Coordinator of your study centre **latest by 31st October**.

<p>Note: In case you receive the study material and assignments late, you can submit the assignment responses within one month after receiving the study material.</p>

TUTOR MARKED ASSIGNMENT

Course Code	:	PCO – 01
Course Title	:	Preparatory Course in Commerce
Assignment Code	:	PCO – 01/TMA/2018
Coverage	:	All Blocks

Maximum Marks: 100

Note: Attempt all the questions. All questions carry equal marks.

- Q 1. What are the various forms of business organization? Explain.
- Q2. What do you understand by principle of double entry? Give the rules of debit and credit with suitable examples.

- Q3. Journalize the following transactions: Rs.

May 1	Purchased goods for cash	10,000
2	Purchase goods on credit from Ram Lal	6,55,000
5	Sold goods to Mahesh	50,000
8	Cash sales to Jayant	10,000
9	Returned goods to Ram Lal	15,000
11	Mahesh Returned goods	5,000
12	Purchased stationary	2,000
17	Rent Paid	5,000
21	Commission Received	10,000
23	Cash Received from Anil	2,000

- Q4. Write short notes on any two of the following:
- (a) Going Concern Concept
 - (b) Full Disclosure Concept
 - (c) Consistency Concept
- Q5. Explain how Bank Reconciliation Statement is Prepared with an adjusted balance of cash book?
- Q6. If the Trial Balance does not tally, it means there are some errors in books of accounts. Explain the procedure of locating these errors.
- Q7. Distinguish between the following:
- (a) Capital Receipt and revenue Receipt
 - (b) Capital Profit and revenue profit

- Q8. What is meant by closing Stock? How is it valued and shown in the final accounts? Explain.
- Q9. What do you mean by one sided errors? How are these errors rectified? Explain with suitable examples.
- Q10. From the following Trial Balance of Sh. Raghu Ram, Prepare Trading, Profit & Loss Account for the year ended 31st December, 2017 and Balance Sheet as on that date:

	Dr. Rs.	Cr. Rs.
Purchases and Sales	375,000	4,20,000
Returns Inwards	15,000	
Returns Outwards		10,000
Carriage	12,400	
Wages and Salaries	52,600	
Trade Expenses	2,200	
Rent		12,000
Insurance	1700	
Audit Fees	1,500	
Debtors and Creditors	10,000	50100
B/R and B/P	3,300	2,200
Printing and Advertising	5,500	
Commission		13000
Opening Stock	36,000	
Cash in hand	18800	
Cash in Bank	26,800	
Bank Loan		20,000
Interest on Loan	1,500	
Capital		2,50,000
Drawings	15,000	
Fixed Assets	2,00,000	
	777,300	7,77,300

Adjustments:-

1. Stock at the end Rs. 50,000
2. Depreciate Fixed Assets by 8%
3. Commission earned but not received amounts to Rs. 600
4. Rent received in advance Rs. 1,000
5. Allow 7% interest on Capital and charge Rs. 900 as interest on Drawings.