

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

**ASSIGNMENT
2020-2021**

**Elective Course in Commerce
ECO – 14: Accountancy - II**

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 – 14: Accountancy - II**

ASSIGNMENT: 2020-21

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-14 |
| COURSE TITLE | : | ACCOUNTANCY-II |
| ASSIGNMENT CODE | : | ECO-14/TMA/2020-21 |
| COVERAGE | : | ALL BLOCKS |

Maximum Marks: 100

Attempt all the questions:

1. Explain various systems of maintaining the accounts of a dependent branch and describe how is profit ascertained under each system? **(20)**

2. State the similarities and dissimilarities of Hire Purchase System and Installment Payment System. Describe the difference between the accounting treatment under the Hire Purchase System and Installment Payment System. **(20)**

3. What journal entries are passed at the time of revaluation of assets and liabilities when a new partner is admitted in to the partnership? How will you work out the new capital of each partner if the capital is to be adjusted in the new profit sharing ratio? Give examples. **(20)**

4. **(a)** Explain the provisions relating to issue of shares at a discount under Companies Act. Also explain the procedure of forfeiture of shares by the company. **(10+10)**

(b) Describe the accounting treatment of debentures issued as a collateral security by the company.

5. What is Cash Flow Statement? How net profit from business is converted to cash from operations? Describe the uses of Cash Flow Statement. **(20)**