

**PCO - 01**

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

**ASSIGNMENT**

**2021-2022**

**Elective Course in Commerce**

**PCO-01: PREPARATORY COURSE IN COMMERCE**

**For July 2021 and January 2022 Admission Cycle**



**School of Management Studies**

**Indira Gandhi National Open University**

**Maidan Garhi, New Delhi -110068**



## Elective Course in Commerce

### PCO – 01: PREPARATORY COURSE IN COMMERCE

#### ASSIGNMENT- 2021-22

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 2021 and January 2022**). The validity is given below:

1. Those who are enrolled in **July 2021**, it is valid up to **June 2022**.
2. Those who are enrolled in **January 2022**, it is valid up to **December 2022**.

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

---

|                        |          |                                       |
|------------------------|----------|---------------------------------------|
| <b>Course Code</b>     | <b>:</b> | <b>PCO-01</b>                         |
| <b>Course Title</b>    | <b>:</b> | <b>PREPARATORY COURSE IN COMMERCE</b> |
| <b>Assignment Code</b> | <b>:</b> | <b>PCO-01/TMA/2021-22</b>             |
| <b>Coverage</b>        | <b>:</b> | <b>ALL BLOCKS</b>                     |

---

**Maximum Marks: 100**

**Attempt all the questions:**

- Q.1** (a) What do you mean by business? Explain briefly, the different forms of business organization. (5, 5)  
(b) How is single Entry System different from Double Entry System?

- Q.2** Journalise the following transactions and put them into ledger. (2,4,4)

| 2021  |    | Rs.  |
|-------|----|--|
| April |    |  |
|       | 2  | Cash Sales 15000.00                                |
|       | 2  | Paid Salaries 6000.00                              |
|       | 6  | Sold goods for M/s Pankaj & Sons 10000.00          |
|       | 10 | Cash Purchases 5000.00                             |
|       | 13 | Paid for stationary 100.00                         |
|       | 18 | Goods taken by proprietor for personal use 1000.00 |
|       | 23 | Bought goods from M/s Manoj & Sons 13000.00        |
|       | 25 | Received from M/s Pankaj on account 4000.00        |
|       | 27 | Sold goods for cash 4000.00                        |
|       | 30 | Received interest in investment 1400.00            |

- Q.3** Explain the following: (4,2,2)  
(i) 'Cash Book is both a journal and a ledger'  
(ii) Imprest system

- Q.4** What is a Trail Balance? What are the main causes for disagreement of a Trail Balance? What are the limitations of a Trail Balance? (5, 5)

- Q.5** What is distinction between capital and revenue important? Give examples to show have wrong classification can effect the ascertainment of profit? (2, 4, 4)

- Q.6** Why is Bank Reconciliation Statement prepared? Explain the procedure for ascertaining the causes of different and effects thereof. (3, 7)

- Q.7** How do you deal with the following items in the final accounts of a manufacturer? State why it is debited or created to the manufacturing account. (2.5 x8)

- (i) Coal Gas and Water
- (ii) Dock dues and clearing charges
- (iii) Work in progress
- (iv) Purchases of finished goods
- (v) Purchases returns of Raw-Material

- (vi) Sales Return
- (vii) Opening and closing stock of finished goods
- (viii) Factory insurance

**Q.8** What is meant by one sided errors. Give any five examples. How are one sided errors different from two-sided errors. Explain the procedure of satisfying one sided errors with suitable examples. **(5, 5, 10)**