

**ALLAMA IQBAL OPEN UNIVERSITY, ISLAMABAD
(Department of Commerce)**

BOOK KEEPING AND ACCOUNTANCY (311)

CHECK LIST

SEMESTER: AUTUMN, 2013

This packet comprises following material:-

1. Text Book (One Set)
2. Assignment No. 1 2, 3 & 4
3. Assignment Forms (four sets)
4. Schedule for Submitting the Assignments and Tutorial Meetings

If you find anything missing, in this packet, out of the above mentioned material, please contact at the address given below;

**Assistant Registrar
Mailing
Allama Iqbal Open University,
H-8, Islamabad.
051-9057611-12**

Muhammad Munir
Course Coordinator

ALLAMA IQBAL OPEN UNIVERSITY, ISLAMABAD
(Department of Commerce)

WARNING

1. **PLAGIARISM OR HIRING OF GHOST WRITER(S) FOR SOLVING THE ASSIGNMENT(S) WILL DEBAR THE STUDENT FROM AWARD OF DEGREE/CERTIFICATE, IF FOUND AT ANY STAGE.**
2. **SUBMITTING ASSIGNMENTS BORROWED OR STOLEN FROM OTHER(S) AS ONE'S OWN WILL BE PENALIZED AS DEFINED IN "AIOU PLAGIARISM POLICY".**

Course: Book-Keeping and Accountancy (311)
Level: F.A/I.Com

Semester: Autumn 2013
Total Marks: 100

Assignment No. 1
Units (1-5)

Total Marks: 100

Question No. 1

Marks 20

Explain different stages of accounting cycle. Differentiate between Accounting and Book-Keeping.

Question No. 2

Marks 20

The following particulars are related to the business of Shareef:

- April 1: Mr. Shareef started business with a capital of Rs. 15,000.
- April 2: purchased machinery for Rs. 8,000.
- April 3: purchased goods for cash Rs. 500.
- April 7: sold goods to Ali for Rs. 100.
- April 8: purchased goods from Bari for Rs. 850.
- April 10: received Rs. 100 as loan from Ahmad.
- April 12: paid Rs. 50 to Zahid.
- April 15: return goods to Bari Rs. 200.
- April 16: incurred miscellaneous business expenses Rs. 50.
- April 17: Ali returned goods for Rs. 50.
- April 20: purchased a type writer for Rs. 600.
- April 22: purchased stationery and accounts books for Rs. 100.
- April 25: gave Rs. 25 as charity.
- April 30: paid wages for the month of April Rs. 900.
- April 30: paid rent for the month Rs. 300.

You are required to prepare journal from the given information and post them to the concerned ledgers.

Question No. 3

Marks 20

Define ledger. Write a detailed note on the necessity and importance of ledger.

Question No. 4

Marks 20

Explain the importance of final accounts. Enlist the accounts prepared in final accounts.

Question No. 5

Marks 20

Explain necessity and the importance of daily journals (sub-division of journals). Describe various kinds of daily journals.

Assignment No. 2
Units (6-9)

Total Marks: 100

Question No. 1

Marks 20

Prepare a treble column cash book from the following information:

- June 1: cash book balance was Rs. 600 and bank balance Rs. 3400.
- June 3: deposited Rs. 100 in the bank.
- June 4: purchased goods from Iqbal for Rs. 500 and paid by the Cheque # SB 276793.
- June 6: sold goods for cash Rs. 450 and deposited Rs. 400 in the bank account from this amount.
- June 9: received a cheque from Novelty Stores for Rs. 600 and deposited into the bank on the same day.
- June 10: cheque received from Novelty Stores was dishonoured.
- June 12: paid Rs. 250 for the maintenance charges of van.
- June 15: purchased goods from National Corporation for Rs. 1,000 and received 10 rupees discount. Payment of Rs. 990 was made by the Cheque # SB 276794.
- June 18: received a cheque of Rs. 1,000 form Royal & Company Lahore and deposited into the bank on the same day.
- June 22: account of Faisal Brothers was settled by giving Rs. 750 by Cheque # SB 276795.
- June 24: Cheque of Royal & Company Lahore was credited in the bank account. Bank charged were Rs. 10.
- June 24: National Corporation encashed the Cheque # SB 276794.

- June 25: withdrew from the bank Rs. 500 via Cheque # SB 276796 for miscellaneous expenses.
 June 26: sold goods for cash Rs. 750.
 June 27: received a cheque of Rs. 1250.50 from General Stores Karachi and its account was settled.
 June 28: cheque of General Stores Karachi was deposited into the bank
 June 30: withdrew from bank Rs. 1200 via Cheque # SB 276798 for inspection.

Question No. 2

Marks 20

Prepare Trading and Profit & Loss Account and a Balance Sheet from the following information:

Cash in Hand	680	Capital	1,23,300
Sundry Debtors	46,000	Purchases Returns	13,000
Discount allowed	300	Sales (Gross)	25,000
Drawings	11,000	Creditors	30,000
Opening stock	30,000	Bank overdraft	10,000
Purchases	75,000		
Sale Returns	2,700		
Miscellaneous Trade Expense	755		
Labour Wages	3,500		
Salaries	5,600		
Travelling Expenses	850		
Advertising	500		
Rent and Insurance	2,800		
Interest and Bank Charges	215		
Bad Debts	400		
Buildings	6,000		
Plant and Machinery	10,000		
Furniture	<u>5,000</u>		
Totals	201,300		<u>201,300</u>

Additional information:

- (i) Closing stock on 30th June 1980 is Rs. 45,000
- (ii) Charge depreciation at 10% on plant and machinery and furniture.
- (iii) Make provision for bad and doubtful debts at 5% of Sundry Debtors.
- (iv) Insurance prepaid Rs. 150.

Question No. 3

Marks 20

Describe various kinds of accounting errors. Propose instructions for the detection and rectification of these errors.

Question No. 4

Marks 20

Dedifferentiate between capital expenditures and revenue expenditures by providing at least seven examples for each of them.

Question No. 5

Marks 20

Discuss essential features of bill of exchange. Differentiate between the bill of exchange and cheque.

Assignment No. 3
Units 10-14

Total Marks:100

Question No. 1

Marks 20

Mr. Munir sends 500 TV's to Mr. Jamil on consignments basis. Each TV costs Rs. 100 to Mr. Munir. Consignor spends Rs. 300 in dispatching the TVs. The consignee is entitled to receive 6% commission on sales plus the expenses incurred by him. He advises immediately Rs. 10,000 to the consignor. Later, Mr. Jamil sends Account Sales which discloses the following details:

300 TVs sold @ Rs. 200 each

200 TVs sold @ Rs. 220 each

Railway freight and carriage Rs. 12,500

Godown Rent and Insurance Rs. 2,500

Mr. Jamil remits a Bank Draft for the balance account.

Show Journal Entries and Ledger Accounts in the books of consignor and consignee.

Question No. 2

Marks 20

Define partnership. Explain important contents of a partnership deed.

Question No. 3

Marks 20

What are the documents to be submitted with the Registrar at the time of incorporation? Explain.

Question No. 4

Marks 20

Describe accounting treatment at the time of issuance of Shares by giving examples.

Question No. 5

Marks 20

Admission of new Partner in Partnership:

Hamid and Mehmood are partners. On 31st December, 2007 the balance sheet of the firm was as under:

Particulars	Rs.	Particulars	Rs.
Hamid	6,000	Furniture and Fixture	4,300
Mehmood	<u>4,000</u>	Stock	5,830
Bank Loan	8,480	Investments	5,000
Creditors	4,550	Debtors	6,800
		Cash	1,100
	23,030		23,030

On 31st December, 2007 it was agreed to admit Shahid as a partner and to revalue assets and liabilities as under:

- (i) Value of furniture was decreased by Rs. 300.
- (ii) Provision for doubtful and bad debts at 7.5 % of debtors was made.
- (iii) Value of investments was decreased by Rs. 1,000.
- (iv) Stock was revaluated at Rs. 6,000
- (v) Rs. 1,000 was paid towards bank loan.

Shahid was to get one third profit and loss sharing. He paid Rs. 3,000 as capital. It was decided that capitals of old partners would be equal to that of Shahid.

REQUIRED:

- (i) Prepared Journal entries
- (ii) Prepare profit and loss adjustment account.
- (iii) Capital accounts of the partners
- (iv) Revised Balance Sheet

Assignment No. 4**Units (15-18)**

Total Marks: 100

Question No. 1

Marks 20

Write a note on Non-Trading Organizations. Explain the various accounts maintained by non-trading concerns.

Question No. 2

Marks 20

Define depreciation. Explain any two methods for the calculation of depreciation in detail.

Question No. 3

Marks 20

Malik and Co. purchased machinery on January 1, 1975 for Rs. 10,60,000. The expected working life of machinery was 10 years with a scrap value of Rs. 60,000 in the end.

You are required to prepare machinery account for ten years.

Question No. 4

Marks 20

Write critical note on the various kinds of reserves.

Question No. 5

Marks 20

Explain with details the annual financial statements prepared by the business organizations.