



**UNIVERSITY OF NORTH BENGAL**  
 B.Com. Honours 1st Semester Examination, 2020

**CC1-COMMERCE**

**FINANCIAL ACCOUNTING**

Full Marks: 60

**ASSIGNMENT**

*The figures in the margin indicate full marks.*

*Candidates should answer in their own words and adhere to the word limit as practicable.*

*All symbols are of usual significance.*

**Answer all the questions**

$15 \times 4 = 60$

1. X Transport Ltd. purchased from Y Motor 3 scooties costing Rs. 50,000 each on hire purchase basis on 01.01.2011. Payment are to be made Rs. 30,000 down and the remainder in 3 equal annual instalments payable on 31.12.11, 31.12.12 and 31.12.13 together with interest @ 9% p.a. X Transport Ltd. write off depreciation @ 20% on W.D.V. method. It paid the instalment due on 31.12.11 but could not pay the instalment due on 31.12.12. Y Motor agreed to leave one scooty with the purchaser on 01.01.2013 adjusting the value of other scooties against the amount due on 31.12.12. The scooties were valued on the basis of 30% depreciation annually.

Pass necessary journal entries in the books of X Transport Ltd. for all the three year.

2. X Ltd. of Siliguri has its branch at Birpara to which goods are sent @ 20% above cost. Branch expenses are met partly from the H.O. and partly by the branch. Following are the particulars relating to the branch for the year 2011. Prepare necessary Ledger accounts in the books of the H.O.:

	<b>Rs.</b>
Goods sent to Branch at cost	2,00,000
Goods received by the branch at I.P.	2,20,000
Credit sales for the year at I.P.	1,65,000
Cash sales for the year at I.P.	59,000
Cash remitted to H.O.	2,22,500
Expenses paid by the H.O.	12,000
Bad debts written off	750

Balances on:	01.01.11	31.12.11
Stock	25,000 (at cost)	28,000 (at I.P.)
Debtors	32,750	26,000
Cash	5,000	2,500

3. A, B and C are partners in a firm sharing profits and losses in the ratio of 4:3:3. They decide to dissolve the firm and appoint B to realise the assets and distribute the proceeds and he is to receive 5% of the amount realised from stock and debtors as his remunerations and to bear all expenses of realisation.

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The following is the Balance Sheet of the firm as on 31.12.12

Liabilities	Amount Rs.	Assets	Amount Rs.
Creditors	59,000	Cash	1,500
Capital: A	30,000	Stock	60,000
B	20,000	Debtors	45,500
		Less: Provision for bad debts	2,500
		Capital : C	43,000
	<b>1,09,000</b>		4,500
			<b>1,09,000</b>

Rs. 35,000 was realised from Debtors and Rs. 45,000 realised from stock. Goodwill is sold for Rs. 2,000. Creditors are paid Rs. 57,500 in full settlement. Unrecorded liabilities have also been paid Rs. 500. The expenses of realisation amounted to Rs. 600.

A and B agree to receive from C Rs. 3,000 in full settlement of the firm's claim against him.

Prepare Realisation Account, Capital Account and Bank Account in the books of the firm. (Apply Garner vs. Murray Rule)

4. Write short notes on:

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- (i) Principles of Conservatism
- (ii) Matching Principle
- (iii) Full Disclosure Principle.

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