

20-8-20

Financial Account

B. Com Part I

Chapter - Consignment Accounts

Numerical exercise - (22) S.M. Shukla

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Question.

Roopam Furniture Consigned to
 Preetna Traders 500 steel cots at an invoice
 price of Rs 200 each which was 20% above
 cost and paid Rs 1000 for insurance and Rs
 1000 for freight. After receiving consignment,
 Preetna Traders accepted a bill for Rs 30000
 which Roopam Furniture discounted for Rs 29500.
 Preetna Traders then sent an Account sales
 which show: (1) credit sales 200 cots at
 Rs 300 each. (2) cash sales: 200 cots at
 240 each; (3) expenses Rs 2000; (4)
 commission charged 5%; (5) goods taken
 over for use: 10 cots at 250 each;
 (6) cash received from debtor Rs
 55000; (7) discount to debtor 2000;
 and (8) bad debts Rs 3000.

Along with the Account sales
 also permitted balance due by
 the consignee. Prepare Consignment & Consignee's
 Bank draft. Prepare Consignment & Consignee's
 the book of Consignor.

Ans.

In the book of Consignor. Consignment A/c

To Goods sent on Consignment. 500 x 240	120000	By Prerna Traders Sale Proceeds.	
To G.A. Me - G.A. Me - Freight 1000	2000	Cash 200 x 280	56000
" Discount B/R -	500	Credit 200 x 300	60000
" Prerna Traders S. Exp 2000 Discount 2000 Bad Debt 300	7000	Other sales 10 x 250	2500
" Prerna Traders Comm.	5925	By Consignment Stock -	118500
Consignment - P.S. -	3600	" Goods sent on Consignment	21960
	21435		20000
	<u>160460</u>		<u>160460</u>

Prerna Traders

To Consignment - (Sales)	118500	By B/R -	30000
		" Consignment Expn.	
		S. Expn 2000	
		Discount 2000	
		Bad Debt 3000	7000
		" Consignment com.	5925
		" Balance -	75575
	<u>118500</u>		<u>118500</u>