

28.8.20

Financial Accounts
B. Com Part I

Chapter - Consignment
Numerical Exercise - (16) Dr. S. M. Shukla
By Dr. S. N. Pathak, Dept of Commerce
R.N.C. Hajipur -

Question.

Rakesh of Patna sent 100 sewing machines on consignment to Moni of Kolkata. The cost of each machine is 130 but the invoice price is at the rate of 160 each machine. Rakesh spent Rs 400 on packing and dispatch. Moni received the consignment and immediately accepted Rakesh's draft for Rs 8000. Subsequently, Moni informed Rakesh that 80 machines have been sold at 175 each. Expenses paid by Moni are freight Rs 700 (Patna to Kolkata) and godown rent Rs 50. Money is entitled to a commission of 5% on sale and 1.5% as deduction commission. Give journal entries in the book of Rakesh.

Ans.

		Moni Account	
To Consignment	14000	By B/R -	8000
		" Consignment (Exp.)	750
Sales.		" Consignment (Com)	1050
		" Balance c/d	4200
	<u>14000</u>		<u>14000</u>

Sl. N	Candidate	11	MITHESI	12	NIPANISI	13	...	14	...	15	...	16	...	17	...	18	...	19	...	20	...	21	...	22	...	23	...	24	...	25	...	26	...	27	...	28	...	29	...	30	...	31	...	32	...	33	...	34	...	35	...	36	...	37	...	38	...	39	...	40	...	41	...	42	...	43	...	44	...	45	...	46	...	47	...	48	...	49	...	50	...	51	...	52	...	53	...	54	...	55	...	56	...	57	...	58	...	59	...	60	...	61	...	62	...	63	...	64	...	65	...	66	...	67	...	68	...	69	...	70	...	71	...	72	...	73	...	74	...	75	...	76	...	77	...	78	...	79	...	80	...	81	...	82	...	83	...	84	...	85	...	86	...	87	...	88	...	89	...	90	...	91	...	92	...	93	...	94	...	95	...	96	...	97	...	98	...	99	...	100	...
Receipt		Cash in hand		5000		Retirement of Assets		395000		400000		Receipt		Cost of bp certificate		2500		Remuneration of bp certificate		11850		3/00 on 395000		2023		20/00 on 101127		257500		Pref credits		25000		Unsecured credits		101127		400000																																																																																																																																															

bp certificate final statement of Account

properly checked

Ans. 28.8.20

Journal entries in the book of Rakesh
(Consignor)

Particulars	Dr	Cr
Consignment A/c Dr To goods sent on consignment	16000	16000
CBuy 100 sewing machine sent @ 160 each		
goods sent on consignment a/c Dr To consignment	3000	3000
CBuy differences between cost & selling price		
Consignment a/c Dr To Balance	400	400
CBuy expenses paid by Rakesh		
Bills Receivable a/c Dr To Bills received by Moni	8000	8000
CBuy Bills received by Moni		
Consignment a/c Dr To Moni	750	750
CBuy expenses paid by Moni		
Moni a/c Dr To consignment a/c	14000	14000
CBuy 80 sewing machine sold @ 175 each		
Consignment a/c Dr To Moni a/c	1050	1050
CBuy general commission @ 6% on decretable com 1.5% charge on sale		
Consignment a/c Dr To consignment a/c	3420	3420
CBuy value of 20 machines with proportional expense		