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Financial Account  
B. Com Part I

Chapter - Consignment

Numerical Exercise. (20) S.M. Shukla

By Dr. S.N. Pathak, Dept of Commerce, R.N.C.H. J.P.

Question.

M/s Somani Brothers of Bhopal 5000 cement bags costing Rs 80 per bag. Consigned to M/s Somani Cement Limited Narsinghpur. M/s Somani Cement Limited paid Rs 4500 for Railway Freight, Rs 2500 for insurance and Rs 2200 for sundry expenses. Accepted a bill for 200000 on receipt of consignment M/s Somani Brothers sent an account sales which shows as:-

① Cash sales of 4000 bag @ Rs 95 each bag.

② Expenses paid by Somani Bros were ① Godown Rent - Rs 2000 ② Selling expenses. Rs 6000.

③ Somani Bros remitted the balance due by Bank draft after deducting their expenses and commission 2% on gross sales. Show Consignment Account and Consignee Account in the books of Consigner.

Aus.

In the books of Consigner.  
Consignment Account

To Goods sent on consignment $5000 \times 95$	4,00,000	By Somani Bros.	
" Cash m/c		$4000 \times 95$	3,80,000
Railway freight 4500		" Consignment Stock	81,840
Insurance → 2500			
Sundry exp. 2200	9,200		
" Somani Bros: -			
Godown Rent 2000			
Selling exp 6000			
Selling exp 500			
" Bills discounted			
" Somani Bros. (Commission) 7600			
" P/L	36,540		
	<u>4,61,840</u>		<u>4,61,840</u>

Somani Bros Account

To Consignment	3,80,000	By Consignment ac.	
		Godown rent	2000
		Selling exp	6000
		" Consignment (Comm.)	7600
		" B/R	200,000
		" Balance	1,64,400
	<u>3,80,000</u>		<u>3,80,000</u>