

17.8.20

# Financial Accounts.

B. Com. Part I

Chapter - Consignment &  
Numerical Exercise - (10) S.M. Shukla

By  
Dr. S.N. Pathan, Dept of Commerce.  
R.N.C. Hatipia.

## Question.

Parikh & Co of Ahmedabad purchased 10000 meter cloth for Rs 20000 and sent 5000 meter of cloth on sale price to Mukharjee & Co Kolkata to be sold @ Rs 3 per meter. Parikh & Co paid Rs 500 for freight, Rs 50 for insurance and Rs 10 for petty expenses. Mukharjee & Co sold 4000 meter cloth @ 4 per meter and in this connection they paid Rs 200 for petty expenses. They get 5% Commission on sales. Parikh & Company sold 3000 meter of cloth @ Rs 3 at Ahmedabad and paid Rs 300 for petty expenses & Commission. The price of cloth fall in the Market so it was valued 10% below cost. above Particulars open from the A/c, trading & Profit & Loss a/c.

Ans.

# In the books of Jairesh & Co Consignment A/c

To goods sent on Consignment - $5000 \times 3$	15000	By Jairesh & Co. $4000 \times 4$	16000
" Cash A/c - Freight - 500 Insurance - 50 Petty expenses - 10	560	" Consignment Sh. $1000 \times 3 = 3000$	
" Jairesh & Co Petty expenses Commission 5%	200 800	+ Proportional expenses $560 \times \frac{1000}{5000} = 112$	
" Consignment Sh. $1000 \times 1$	1000	(-) Decrease in Stock 10% $300$	2812
(-) Less 10% $\frac{21000}{100}$	900	By goods sent on Consignment	5000
BSL -	6352		23812
	<u>23812</u>		

## Trading and BSL a/c.

To purchase -	20000	By goods sent on Consignment	10000
" gross profit	2600	" sales -	9000
	<u>22600</u>	Stock $2000 \times 2 = 4000$	3600
To sundry expenses	300	(-) Decrease 10% $40$	22600
" Net profit	8652		
	<u>8952</u>	By gross profit	2600
		" consignment profit	8362