

* Calculation of abnormal loss/Normal loss/
Closing stock.

Particulars.	Quantity	Rs.
Cost of goods sent	4000	200,000
Add: Exp of consigner	-	4000
Total	4000	240,000
less: Ab loss $\left[\frac{240,000 \times 100}{4000} \right]$	(100)	(6000)
Balance	3900	234,000
Add: Non-rec exp of consignee	-	14320
Balance	3900	248320
less: Normal loss	(20)	(NIL)
Balance	3880	248320

Closing stock - (3880 kgs)

$$\frac{248320 \times 880}{3880} = \text{Rs} - 56,320$$

* Normal loss always has to be NIL.

$$\frac{12000 \times 25}{2 \times 1000}$$

$$\frac{12 \times 2 + 1}{2} = \frac{25}{2}$$

$$\frac{150}{15} = 10$$

$$= 1500$$

$$\frac{140,000 \times 5}{100} = 7000$$

$$\frac{108000 \times 4}{100} = 4320$$

① Consignment A/c (In the books of Aman)

Particulars	₹	Particulars	₹
TO Goods sent on consignment A/c	200,000	By Basu's A/c	
TO Cash A/c		Cash - 140,000	
Freight - 6720		Credit - 108000	248000
Insurance - 3440	10160	By Basu's A/c	
TO Basu's A/c		Goods taken - 8000	
Adv - 1720		Goods Cost - 4000	
Selling exp - 1080	2800		
Add: Commission	11320		
TO Profit/Loss A/c	37,220		
	261500		261500

Basu's A/c

PR	₹	PR	₹
TO Consignment A/c	248000	By Bank A/c (Adv)	50000
TO Consignment A/c (Goods taken & Goods lost)	13500	By Consignment A/c (Exp + Comm)	14120
	261500	By Bal c/d	197380
			261500

② 1 ton stock of 20000
K have to sell 20000 + 25% Comm 4% on sales
17. Dec credit comm. on TS.
1 Dec - Cash sales - 120,000 Credit - 405000
K's exp - 3000 (salaries & insurance)
Bad debts - 3000 Goods sent on consignment - 200,000

14250
228000
14250
210750

Ans -> Valuation of Consignment Stock (Closing Stock):

Opening stock	Consignment stock -	25,000
Add: Goods sent on consignment during the year		200,000
Total goods on consignment.		225,000
Less: * Cost of goods sold ($225,000 \times \frac{100}{125}$)		(180,000)
Value of closing consignment stock.		45,000

(No, non-recurring expense to be added to the value of stock)

Consignment A/c			
Particulars	₹	Particulars	₹
To Goods sent on consignment	200,000	By K's A/c (Sales)	
To Consignment Stock A/c	25,000	Cash sales - 120,000	
To K's A/c (Expenses)	3,000	Credit sales - 105,000	225,000
To K's A/c (Commis)		By Consignment stock A/c	45,000
Y-f. - 9,000			
Z-f. - 2,250	11,250		
To Profit/Loss A/c	3,075		
	265,000		265,000

In the Book of K.

Particulars	₹	Particulars	₹
To Cash A/c	3,000	By Cash A/c	120,000
To Commission A/c	11,250	By Consignee A/c	105,000
To Bank A/c	210,750		
	225,000		225,000