In the books of **Nie**

**General Ledger**

**Consignment**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 2012 |  | **RM** | 2012 |  | **RM** |
| Oc 1 | Goods Sent on Consignment | 15,000 | Nv 25 | Insurance Company | 450 |
| 1 | Bank - Freight Expenses | 400 | Dc 31 | Consignee - Kwan |  |
|  | - Insurance Expenses | 350 |  | - Credit Sales (W4) | 11,250 |
| 5 | Bills Receivable - Discounting |  |  | Consignee - Kwan |  |
|  | Charges | 180 |  | - Cash Sales (W5) | 7,400 |
| Dc 31 | Consignee - Kwan |  | 31 | Unsold Inventory c/d (W1) | 1,608 |
|  | - Warehouse Charges | 220 |  |  |  |
|  | - Handling Charges | 100 |  |  |  |
|  | - Carriage Outwards | 80 |  |  |  |
|  | - Shop Rental | 200 |  |  |  |
|  | - Selling Expenses | 150 |  |  |  |
| Dc 31 | Consignee - Kwan |  |  |  |  |
|  | - Sales Commission (W2) | 933 |  |  |  |
|  | - Del Credere Commission (W3) | 113 |  |  |  |
| 31 | Profit on Consignment | 2,982 |  |  |  |
|  |  | 20,708 |  |  | 20,708 |
| 2013 |  |  |  |  |  |
| Jn 1 | Unsold Inventory b/d | 1,608 |  |  |  |
|  |  |  |  |  |  |

**Bills Receivable**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 2012 |  | **RM** |  |  | **RM** |
| Oc 2 | Consignee - Kwan | 12,000 | Oc 5 | Bank | 11,820 |
|  |  |  | 5 | Consignment - Discounting |  |
|  |  |  |  | Charges | 180 |
|  |  | 12,000 |  |  | 12,000 |
|  |  |  |  |  |  |

**Consignee - Kwan**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 2012 |  | **RM** | 2012 |  | **RM** |
| Dc 31 | Consignment - Credit Sales (W4) | 11,250 | Oc 2 | Bills Receivable | 12,000 |
| 31 | Consignment - Cash Sales (W5) | 7,400 | Dc 31 | Consignment |  |
|  |  |  |  | - Warehouse Charges | 220 |
|  |  |  |  | - Handling Charges | 100 |
|  |  |  |  | - Carriage Outwards | 80 |
|  |  |  |  | - Shop Rental | 200 |
|  |  |  |  | - Selling Expenses | 150 |
|  |  |  | Dc 31 | Consignment |  |
|  |  |  |  | - Sales Commission (W2) | 933 |
|  |  |  |  | - Del Credere Commission (W3) | 113 |
|  |  |  | 31 | Bank | 4,854 |
|  |  | 18,650 |  |  | 18,650 |
|  |  |  |  |  |  |

**Workings:**

1. Unsold Inventory c/d: RM (15000+400+350) x 50/500 + RM (220+100) x 50/485

= RM 1607.98969072

~= RM 1,608

1. Sales Commission: (250 x RM 45 + 185 x RM 40) x 5% =

= RM 932.50

~= RM 933

1. Del Credere Commission: 250 \* RM 45 \* 1%

= RM 112.50

~= RM 113

1. Credit Sales: 250 x RM 45 = RM 11,250
2. Cash Sales: 185 x RM 40 = RM 7,400

In the books of **Kwan**

**General Journal**

|  |  |  |  |
| --- | --- | --- | --- |
| Date | Particular | Debit | Credit |
| 2012 |  | RM | RM |
| Oc 2 | Consignor - Nie | 12,000 |  |
|  | Bills Payable |  | 12,000 |
|  |  |  |  |
| Dc 2 | Bills Payable | 12,000 |  |
|  | Bank |  | 12,000 |
|  |  |  |  |
| 31 | Consignment Accounts Receivable | 11,250 |  |
|  | Consignor - Nie |  | 11,250 |
|  |  |  |  |
| 31 | Bank | 7,400 |  |
|  | Consignor - Nie |  | 7,400 |
|  |  |  |  |
| 31 | Consignor - Nie |  |  |
|  | - Warehouse Charges | 220 |  |
|  | - Handling Charges | 100 |  |
|  | - Carriage Outwards | 80 |  |
|  | - Shop Rental | 200 |  |
|  | - Selling Expenses | 150 |  |
|  | Bank |  | 750 |
|  |  |  |  |
| 31 | Consignor - Nie | 1,046 |  |
|  | Commission Income - Sales Commission |  | 933 |
|  | - Del Credere Commission |  | 113 |
|  |  |  |  |
| 31 | Bank | 10,980 |  |
|  | Consignment Accounts Receivable |  | 10,980 |
|  |  |  |  |
| 31 | Bad Debts | 270 |  |
|  | Consignment Accounts Receivable |  | 270 |
|  |  |  |  |
| 31 | Consignor - Nie | 4,854 |  |
|  | Bank |  | 4,854 |
|  |  |  |  |