

CA CPT Account Test Consignment

Test ID :024

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Instruction for Question 1 To 50 MCQ

- Qn.1)** Goods costing Rs. 1,00,000, Invoice Price Rs. 1,20,000 sent to consignee. Goods sold by consignee for Rs. 96,000 at Invoice Price. Consignee is entitled to a commission of 5% to cost price of sale made and 10% additional commission on difference of invoice price and cost price of sale made. Amount of commission payable to the consignee will be:- [1]
A. Rs.4000 B. Rs.5600 C. Rs.1600 D. Rs. 9,600
- Qn.2)** The risk of stock on consignment lies with [1]
A. Consignor B. Consignee C. Buyer D. Seller
- Qn.3)** A trader sells goods at a profit of 25% on sale. In a particular month he sold goods costing Rs.34200 sale price of goods will be: [1]
A. Rs.45,000 B. Rs.45,600 C. Rs.45,500 D. Rs. 42,000
- Qn.4)** _____ commission is given to consignee for his hard work in introducing a new product in the market [1]
A. Del credere B. Extra salary C. Over riding commission D. Commission on total sales.sales at higher price than specified.
- Qn.5)** 100 tins of oil at Rs. 130 per tin of 15 kg each were sent to Bhavnagari by Ahmedabadi to be sold on consignment. He pays Rs. 625 for expenses. Normal loss is considered to be 5%. Calculate the value of closing stock if the quantity left is 285 kgs. [1]
A. Rs. 2600 B. Rs. 2470 C. Rs. 2725 D. None of the above
- Qn.6)** Goods sent on consignment invoice value 200,000 at cost + 33 1/3 % 1/5 of the goods were lost in transit. Insurance claim received Rs. 10,000. The amount of abnormal loss to be transferred to General P/L is: [1]
A. Rs.30,000 B. Rs.20,000 C. Rs.35,000 D. Rs. 20,000
- Qn.7)** The abnormal loss on consignment is credited to: [1]
A. Consignment A/c B. Profit & Loss A/c C. Consignee's personal A/c D. All of the above
- Qn.8)** X of Kolkata sends out goods costing 100,000 to Y of Mumbai at cost + 25% Consignor's expenses Rs. 2000. 3/5th of the goods were sold by consignee at 85000. Commission 2% on sales + 20% of gross sales less all commission exceeds invoice value. Amount of commission will be [1]
A. Rs.3083 B. Rs.3000 C. Rs.2500 D. Rs. 2,000
- Qn.9)** The balance of goods sent out on consignment will be transferred to [1]
A. General P/L B. General Trading C. Balance Sheet D. Capital A/c
- Qn.10)** A consigned 1,000 litres of coconut oil @ Rs. 50 per litre. to B. The normal loss is estimated at 5% The profit was fixed at 14% on the total cost. What is the sale price per litre? [1]
A. Rs.57 B. Rs.60 C. Rs.70 D. Rs. 55
- Qn.11)** M/s mittal, sen &co. sends goods costing RS.50,000 to M/s Suneja Jadeja & Co. for sale at invoice price. The invoice price of the goods was RS.60,000. Former spends Rs.2,000 on freight or sending the delivery and latter spends Rs.1500 for receiving the delivery. M/s Suneja jadeja &Co. sold 90 5 of goods at invoice price and earned a commission of Rs.5400. In the due course, it made some credit sales also out of which some amount was proved to be bad and was borne by it only. Remaining goods were taken back some amount was proved to be balance due was borne by it only. Remaining goods were taken back by M/s Mittal, Sen &Co. The balance due was paid by M/s Suneja, Jadeja & Co. through draft. The above transaction is in the nature of [1]
A. Consignment B. Joint Venture C. Sale of goods on sale or return basis D. Credit sales
- Qn.12)** If del-credere commission is allowed for bad debts consignee will debit the bad debt amount to: [1]
A. Commission Earned A/c B. Consignor A/c C. Debtors A/c D. General Trading A/c
- Qn.13)** While valuing closing stock lying with consignee which of these expenses of consignee are taken into consideration [1]
A. Recurring expenses B. Non recurring expenses C. Both recurring and non recurring expenses D.

None of these Accounts

Qn.14) **Loss on account of which of these reasons is a normal loss** [1]
 A. Shrinkage due to atmosphere conditions B. Pilferage by the storekeeper C. Spoilage of goods in godown due to poor storage arrangement D. Over issue of goods from the godown

Qn.15) **X sends goods to Y on consignment, but 15% of the goods were lost in transit. Such loss will be borne by:** [1]
 A. Consignee B. Consignor C. Both 1 and 2 D. Insurance company

Qn.16) **A consigned goods to B. B sent the following account sale. Consignee sold 90% of goods consigned.** [1]

Particulars	Rs.	Particulars	Rs.
Goods consigned	10000	Consignees' expenses	1000
Dispatch expenses	1000	Commission	750
Sales	15000	Cash sent by consignee	10000

Due from consignee is

A. Rs. 3250 B. Rs. 5000 C. Rs. 4250 D. Rs. 9000

Qn.17) **Ram of Delhi sends out goods costing Rs. 2,00,000 to Krishna of Brindaban. Consignor's expenses Rs. 5000. Consignee's expenses in relation to sales Rs. 2000. 4/5th of the goods were sold at 20% above cost. The profit on consignment will be** [1]
 A. Rs.26000 B. Rs.32000 C. Rs.26200 D. Rs.6,000

Qn.18) **On 1st Sept. 2006 goods costing Rs. 33,000 were consigned by X to his agent Y at a proforma price which was cost plus one sixth profit on invoice price. What is the invoice price of goods:** [1]
 A. Rs.39,000 B. Rs.39,600 C. Rs.40,000 D. Rs. 45,000

Qn.19) **Which of the following statement is not true:** [1]
 A. If del-credere's commission is allowed, bad debt will not be recorded in the books of consignor B. If del-credere's commission is allowed, bad debt will be debited in consignment account C. Del-credere's commission is allowed by consignor to consignee D. Del-credere's commission is generally relevant for credit sales.

Qn.20) **Mahendra of Madras sent goods to Jaya of Delhi at an invoice price of Rs. 29675. He paid freight Rs. 762; cartage Rs. 231 and insurance Rs. 700. On the way one-fourth of the goods was lost by fire and claim of Rs. 5000 was recovered from the insurance company. Calculate abnormal loss** [1]
 A. Rs. 5000 B. Rs. 7842 C. Rs. 7419 D. Rs. 2842

Qn.21) **X consigned goods to Y costing Rs. 30,000 at cost plus 25%. These goods are to be sold at invoice value plus 10%. Y sold a part of the goods for Rs. 33,000. What will be the value of stock lying with Y that will be shown by X at the closing of accounts?** [1]
 A. Rs.8250 B. Rs.6,000 C. Rs.7,500 D. Rs. 8,000

Qn.22) **200 cases @ 150 per case were sent on consignment. 180 cases @ Rs. 250 per case were sold by consignee. Expenses incurred by consignor were: freight Rs. 1500, insurance Rs. 850, loading charges Rs. 250. Expenses incurred by consignee were : unloading Rs. 200, storage Rs. 200, selling expenses Rs. 100, insurance Rs. 150. Find the value of unsold stock.** [1]
 A. Rs. 3315 B. Rs. 3325 C. Rs. 3280 D. Rs. 3295

Qn.23) **X invoiced goods to Y at 25% profit on cost. 40% of goods were lost in transit. 60% of goods received were sold by consignee at 25% above the invoice price. Rate of commission is 10% on sales at invoice price plus 50% of the surplus over invoice price. The amount of commission earned by consignee is Rs. 8,100. The cost of goods sent on consignment is** [1]
 A. Rs.60,000 B. Rs.80,000 C. Rs.1,00,000 D. None of these

Qn.24) **On 1st January, 2012 Badry of Bombay consigned 100 cases (cost price Rs. 7500) at a invoice price of 25% profit on sales tom his agent anil of Agra. On the same date Badri paid non-recurring expenses of Rs.600. On 5th jan, Anil took delivery and paid rs.1200 for Octroi. On 31st January he sold 80 cases for Rs.10500. He charged Rs.775 as his commission. Consignment profit will be:** [1]

A. Rs.2,285 B. Rs.2,200 C. Rs.2,500 D. Rs. 2,000

Qn.25) X consigned 500 boxes of cherry costing Rs. 500 per box to Y. He incurred Rs. 5500 toward transportation and insurance. Y paid Rs. 1000 as transportation from port to his godown, Rs. 300 godown insurance, Rs. 200 godown rent and Rs. 1000 as salesman commission. Due to weather conditions 50 boxes were totally spoiled in transit which is considered a normal loss. Find the value of closing stock if Y sold 400 boxes @ Rs. 600 per box. [1]
A. Rs.26,550 B. Rs.21,899 C. Rs.28,500 D. Rs. 23,210

Qn.26) 5,000 units of goods costing Rs.40 each are consigned. Carriage inward Rs.25,000. Normal loss is 10%. Cost of each unit of goods is: [1]
A. 40 B. 45.5 C. 50 D. 50.5

Qn.27) X sent out certain goods to Y of Mumbai at cost + 25% ½ of the goods received by Y is sold at Rs. 3,52,000 at 10% above IP. The cost of goods sent out is [1]
A. Rs.7,04,000 B. Rs.6,40,000 C. Rs.4,80,000 D. Rs. 5,12,000

Qn.28) Goods sent on consignment account is a: [1]
A. Personal account B. Real account C. Nominal account D. Sales A/c

Qn.29) Sharma of Allahabad sends goods costing Rs.1,00,000 at an invoice price of the Rs.1,20,000 to Kalapil of Katak. Sharma incurs the following expenditure in relation to such consignment: [1]

1	Packing and loading	Rs. 5000
2	Transportation	Rs. 10000
3	Insurance	Rs. 5000

1/10th of the consignment is damaged in transit. Amount of abnormal loss will be
A. Rs.14,000 B. Rs.10,000 C. Rs.12,000 D. None of above

Qn.30) 1000 kgs of Mangoes were consigned to a wholesaler, the cost being Rs.3 per kg. plus Rs.400 freight. Loss of 15% of mangoes is unavoidable. 750 kgs were sold by the consignee. The remaining stock of 100 kgs. Will be valued at: [1]
A. Rs. 300 B. RS.500 C. Rs. 400 D. None of above

Qn.31) X sends out 400 bags to Y costing Rs. 200 each, consignor expenses were Rs. 4,000. Y's non selling expenses Rs. 2,000 and selling expenses of Rs. 1,000. 300 bags were sold by Y. Value of consignment stock will be: [1]
A. Rs.20,400 B. Rs.20,700 C. Rs.22,000 D. Rs. 21,500

Qn.32) Nilesh sent 100 bicycles to Manish on consignment at Rs. 500 each. He paid Rs. 2000 for freight and carriage. Manish paid Rs. 1500 for customs and carriage. Nilesh received an account sales for 80 bicycles sold by Manish at Rs. 620. Manish has also paid Rs. 2600 for advertisement and salary of the salesman. Find out the value of closing stock if the market price is Rs. 475 per bicycle. [1]
A. 9500 B. 12400 C. 10700 D. 8250

Qn.33) Overriding commission is calculated on: [1]
A. Cash Sales B. Credit Sales only C. Total Sales D. Credit Sales less Cash sale

Qn.34) C of Bangalore consigned goods costing Rs. 3,000 to his agent at Delhi. Freight and insurance paid by consignor Rs. 100. Consignee's expenses Rs. 200. 4/5th of the goods were sold for Rs. 3,000. Commission 2% on sales. Consignee wants to settle the balance with the help of a bank draft. The amount of draft will be [1]
A. Rs.2,740 B. Rs.2,800 C. Rs.3,000 D. Rs. 1,800

Qn.35) X consigned 100 boxes of Alphonsis Mangoes each box costing Rs. 400 per box to Y. X incurred Rs. 1500 toward transportation and insurance. Y paid Rs. 500 as godown rent and Rs. 1000 as selling expenses. Due to weather conditions 10 boxes were totally spoiled and were not fit for consumption. Y sold 70 boxes @ 550 per box. Find the profit on consignment basis. [1]
A. Rs.4,722 B. Rs.5,100 C. Rs.4,510 D. Rs. 4,010

Qn.36) ___ is allowed by the consignor to the consignee to put hard work while introducing a new product in the market. [1]
A. Commission on total sales B. Del-credere commission C. Over riding commission D. Extra salary

- Qn.37) **The commission received from consignor will be transferred to which account?** [1]
A. General Trading B. General P & L C. Balance Sheet D. None of these
- Qn.38) **X sent out certain goods to Y of Delhi. 1/10 of the goods were lost in transit. Invoice value of goods lost Rs. 12,500. Invoice value of goods sent out on consignment will be** [1]
A. Rs.1,20,000 B. Rs.1,25,000 C. Rs.1,40,000 D. Rs. 1,00,000
- Qn.39) **Which of the following statement is wrong** [1]
A. Consignor is the owner of the Consignment stock B. Del-credere commission is allowed by consignor to protect himself for bad debt C. Proportionate consignor's expenses is added up with consignment stock D. All proportionate consignees' expenses will be added up for valuation of consignment.
- Qn.40) **5000 bales of cotton costing Rs. 500000 were sent on consignment. Consignor spent Rs. 18000 on freight etc. 100 bales were destroyed by fire during the period of transit. Consignee sold 3900 bales. Find out the value of Abnormal loss** [1]
A. 18000 B. 14000 C. 10500 D. 10360
- Qn.41) **C of Chennai sent out 5000 boxes to D of Delhi costing Rs.20 each. Expenses of C were Rs.5000 4/5th of the goods were sold by D at Rs.25/- each. The profit on consignment would be:** [1]
A. 16,000 B. 20,000 C. 15,000 D. 5,000
- Qn.42) **1000 Kg of apples are consigned to a wholesaler, the cost being Rs. 3 per Kg plus Rs. 400 of freight, it is known that a loss of 15% is unavoidable. The cost per kg will be:** [1]
A. Rs.5 B. Rs.4 C. Rs.3.4 D. Rs. 3
- Qn.43) **Goods costing Rs. 1,80,000 sent out to consignee to show a profit of 20% on Invoice price. Invoice price of the goods will be:** [1]
A. Rs.2,16,000 B. Rs.2,25,000 C. Rs.2,10,000 D. None
- Qn.44) **Goods sent out on consignment Rs. 2,00,000. Consignor's expenses 5,000. Consignee's expenses 2000. Cash sales Rs. 1,00,000, credit sales Rs. 1,10,000. Consignment stock Rs. 40,000. Ordinary commission payable to consignee Rs. 3000. Del-credere commission Rs. 2000. The amount irrecoverable from customer Rs. 2000. What will be the profit on consignment?** [1]
A. Rs.38,000 B. Rs.40,000 C. Rs.36,000 D. Rs. 43,000
- Qn.45) **X sent out certain goods to Y. 1/10th of goods were lost in transit. Invoice value of goods lost is Rs. 12,500. Invoice value of goods sent out on consignment will be:** [1]
A. Rs.1,20,000 B. Rs.1,25,000 C. Rs.1,40,000 D. Rs. 100,000
- Qn.46) **Forwarding and Insurance charges Rs. 50,000 incurred by consignor, Expenses incurred by consignee: Landing & clearing Rs. 1,400, Godown Rent Rs. 2,000, Unloading Expenses Rs. 2,800, Selling & distribution expenses Rs. 1,500, Transport charges upto godown Rs. 5,600, Advertisement & Insurance Rs. 1,200, Establishment Costs Rs. 4,000. The amount of expenses to be considered while valuing the consignment stock is-** [1]
A. Rs.50,000 B. Rs.51,400 C. Rs.54,200 D. Rs. 59,800
- Qn.47) **X of Kolkata sends out certain goods to Y of Mumbai at cost+ 25% ½ of the goods received by Y is sold at 1,76,000 at 10% above IP. Invoice value of goods send out is:** [1]
A. Rs.3,00,000 B. Rs.3,20,000 C. Rs.1,80,000 D. Rs. 3,40,000
- Qn.48) **What entry is required to be passed to nullify the effect of Loading:** [1]
A. Goods sent on consignment A/c Dr.
To Trading A/c B. Goods sent on consignment A/c Dr.
To Consignment A/c C. Consignment A/c Dr.
To Goods sent on consignment A/c D. none
- Qn.49) **X sells goods at cost plus 60% Total sales were RS.16000. Cost price of the goods will be:** [1]
A. Rs.12,000 B. Rs.10,000 C. Rs.13,000 D. None of three
- Qn.50) **If 1000 typewriters costing Rs.250 each are sent on consignment basis and Rs.10,000 is spent for freight etc., 20 typewriters are damage in transit beyond repair. The amount of loss will be:** [1]
A. Rs. 5,000 B. Rs. 200 C. Rs. 5,200 D. None of the above