

**CONSIGNMENT ACCOUNT**  
**Journal Entries - (IN THE BOOKS OF CONSIGNOR)**

<b>1</b>	<b>For goods sent on consignment to consignee</b>		
	Consignment A/c Dr.		
	To Goods Sent on Consignment Account		
<b>2</b>	<b>For expenses incurred by consignor</b>		
	Consignment A/c Dr.		
	To Cash / Bank A/c		
<b>3</b>	<b>When a bill is drawn by the Consignor on Consignee and when Consignee accepts the bill</b>		
	Bills Receivable A/c Dr.		
	To Consignee A/c		
<b>4</b>	<b>When the Consignor discounted the bill with his banker</b>		
	Bank A/c Dr.		
	Discount A/c Dr.		
	To Bills Receivable A/c		
<b>5</b>	<b>For the expenses incurred by Consignee</b>		
	Consignment A/c Dr.		
	To Consignee A/c		
<b>6</b>	<b>For Commission payable to Consignee</b>		
	Consignment A/c Dr.		
	To Consignee A/c		
<b>7</b>	<b>For Sales effected by the Consignee</b>		
	Consignee A/c Dr.		
	To Consignment A.c		
<b>8</b>	<b>In the Consignment A/c, if the credit side is greater (Profit)</b>		
	Consignment A/c Dr.		
	To Profit and Loss A/c		
<b>9</b>	<b>In the Consignment A/c, if the debit side is greater (Loss)</b>		
	Profit and Loss A.c Dr.		
	To Consignment A.c		
<b>10</b>	<b>In Consignee A/c, if the credit side is greater</b>		
	Consignee A/c Dr.		
	To Cash / Bank A/c		
<b>11</b>	<b>In Consignee A/c, if the debit side is greater</b>		
	Cash / Bank A/c Dr.		
	To Consignee		
<b>12</b>	<b>To close the Goods Sent on Consignment A/c</b>		
	Goods Sent on Consignment A/c Dr.		
	To Trading Account		

**CONSIGNMENT ACCOUNT  
Journal Entries - (IN THE BOOKS OF CONSIGNEE)**

<b><u>1</u></b>	<b>For Bills Payable accepted</b>		
	Consignor A/c Dr.		
	To Bills Payable A/c		
<b><u>2</u></b>	<b>For Sales effected on behalf of Consignor - Cash Sales</b>		
	Cash / Bank A/c Dr.		
	To Consignor A/c		
<b><u>3</u></b>	<b>For Sales effected on behalf of Consignor - Credit Sales</b>		
	Debtors A/c Dr.		
	To Consignor A/c		
<b><u>4</u></b>	<b>For expenses incurred on behalf of Consignor - if paid</b>		
	Consignor A/c Dr.		
	To Cash / Bank A/c		
<b><u>5</u></b>	<b>For expenses incurred on behalf of Consignor - if payable</b>		
	Consignor A/c Dr.		
	To Creditors A/c		
<b><u>6</u></b>	<b>For commission receivable</b>		
	Consignor A/c Dr.		
	To Commission A/c		
	(and)		
	Commission A/c Dr.		
	Profit and Loss A/c		
<b><u>7</u></b>	<b>For Collections made from Debtors</b>		
	Cash / Bank A/c Dr.		
	Debtors A/c		
<b><u>8</u></b>	<b>When Bad debts occur - if delcredere commission is paid</b>		
	Bad debts A/c Dr.		
	To Debtors A/c		
	P & L A/c (or) Commission A/c Dr.		
	To Bad Debts A/c		
<b><u>9</u></b>	<b>When Bad debts occur - if delcredere commission is not paid</b>		
	Consignor A/c Dr.		
	To Debtors A/c		
<b><u>10</u></b>	<b>For final settlement to Consignor -</b>		
	Consignor A/c Dr.		
	To Cash / Bank A/c		
	(or)		
	Cash / Bank A/c Dr.		
	To Consignor A/c		