**Follow the format of branch account which is already discussed.**

**Q.1 From the following information you are required to prepare Guwahati branch account in the books of head office Delhi**

**Balances on 1-1-2019**

**branch stock 20000**

**furniture 17000**

**petty case 400**

**Transactions during the year**

**goods and two sons goods sent to branch 165000**

**goods returned by branch 2500**

**Cash sales 240000**

**Cash sent to branch for :**

**salary 12000**

**office expenses 3600**

**Petty cash 3000**

**rent 1400**

**Petty expenses incurred by branch during the year 3100**

**balances on 31-12 -2019**

**branch stock 30,000**

**prepaid salary 1500**

**branch furniture 16150**

**outstanding rent 600**

**Solution.**

**In the books of head office Delhi**

**Guwahati branch Account**

**under Debtors system**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Particulars | Amount | Date | Particulars | Amount |
| 1.1.2019 | To opening balances  Stock  Furniture  Petty cash | 20000  17000  400 | 1.1.2019 | By opening Liabilities | Nil |
| 1.1.2019 to 31.12.2019 | To Goods sent to branch | 165000 | 1.1.2019 to 31.12.2019 | By goods sent to branch (returned) | 2500 |
| 1.1.2019 to 31.12.2019 | To cash a/c  Salary  Rent  Petty cash  Office expenses | 12000  1400  3000  3600 | 1.1.2019 to 31.12.2019 | By cash a/c  Cash sales:  Collection from Debtors | 240000  Nil |
| 31.12.2019 | To closing Liabilities  Outstanding rent | 600 | 31.12.2019 | By closing balances  Stock  Furniture  Petty cash(400+3000-3100)  Prepaid salary | 30000  16150  300  1500 |
| 31.12.2019 | To Branch P/L a/c (profit) | 67450 |  |  |  |
|  |  | 290450 |  |  | 290450 |