**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 StockFurniturePetty cash | 2000017000400 | 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/cSalaryRent Petty cash Office expenses | 12000140030003600 | 1.1.2019 to 31.12.2019 | By cash a/cCash sales:Collection from Debtors | 240000Nil |
| 31.12.2019 | To closing LiabilitiesOutstanding rent | 600 | 31.12.2019 | By closing balancesStockFurniturePetty cash(400+3000-3100)Prepaid salary | 30000161503001500 |
| 31.12.2019 | To Branch P/L a/c (profit) | 67450 |  |  |  |
|  |  | 290450 |  |  | 290450 |