Q1

Question No 1

In the books of Buckingham bros

Nagpur Branch A/c

Particulars	₹	Particulars	₹
To Bal B/D		By Bal B/d	
• Stock	40000	• Creditors	
(24000 + 16000)		• Salary O/S	
• Debtors	25000	• O/S expenses	
• Cash			
• Furniture			
• Petty cash (Impres Cash)	2000		
To Goods sent to Branch	60000	By Goods sent to Branch (Returns to HO)	
		By Remittances	1,70,000
To Bank A/c	45000	(165,000 + 5,000)	
(Direct purchase)			
To Bank (Petty Expenses)	4000		
To Bank (Expenses)	20000	By Bal C/D	
To Bal C/D		• Stock	25000
• Creditors		(10000+15000) (WN-1)	
• Salary O/S		• Debtors	24000
• O/S expenses		• Cash	
		• Furniture (Furniture)	
		• Petty cash Imprest Cash	2000
To Profit (B/F)	15,000	(WN-2)	
	2,21,000		2,21,000

WN-1

Memorandum Branch Debtors A/c

To Bal B/d	25000	By Collection from Debtor (WN-3)	125000
To Credit Sales	130000	By Discounts Allowed	2000
Less: Returns	(3000) 127000	By bad debts	1000
		By Bal C/d (B/F)	24000
	152000		152000

WN-2

Memorandum Branch Petty Cash A/c

Particulars	₹	Particulars	₹
To Bal B/d	2000	By Petty Expenses paid	4000
To Transfer from H.O	4000	By Bal C/d (B/F)	2000
	6000		6000

WN-3

Total remittances to H.O = 165,000+5,000= 170,000
Less cash sales = (45,000)
Collection from debtors = 125,000

CASONAL KALRA

Q8

Question No 8
In the books of Widespread

Fig'000

Branch A/c

Particulars	₹	Particulars	
To Bal B/D		By Bal B/d	—
• Stock	1,080		
• Debtors	384		
• Cash	10		
• Furniture	500		
To Goods sent to Branch	13,200	By Stock Reserve (Op Stock Reserve) (1,080 x 1/6)	180
		By Goods sent to branch (Load on Goods sent) (13,200 x 1/6)	2,200
To Goods sent to Branch (Load on Returns) (72 x 1/6)	12	By Goods sent to branch (Returns to HO)	72
To Bank (Furniture)		By Remittances	11,700
To Stock reserve (Closing Stock Reserve) (1,470 x 1/6)	245	By Bal C/D	
		• Stock	1,470
To Bal C/D		• Debtors	485
-0/S Exp	6	• Cash	10
		• Furniture	516
To Net profit	1,096		
	16,633		16,633

Working notes

Fig'000

WN-1 Memorandum Branch Debtors A/c

To Bal B/d		384	By Cash A/c -Collection from Debtor		2,842
To Credit Sales	3,140		By Discounts Allowed		58
Less Returns	(102)	3,038	By bad debts		37
			By Bal C/d		485
		3,422			3,422

WN-2 Memorandum Branch Stock A/c

To Opening Stock		1,080	By Sales		
			Cash Sales	9,700	
			Credit Sales	3,140	
To Goods sent to branch		13,200	Less Returns	(102)	12,738
			By Goods sent to branch (Returns to HO)		72
			By Closing stock (B/F)		1,470
		14,280			14,280

CA SONAL KALRA

WN-3 Memorandum Branch Cash A/c

Particulars	Amount	Particulars	Amount
To Bal B/d	10	By Expenses paid	842
To Cash Sales	9,700	By Remittance to H.O (B/F)	11,700
To Collection from debtors	2,842	By Bal C/d	10
	12,552		12,552

WN-4 Calculation of closing balance of furniture

Opening balance as on	1.04.20X1	500
Add Furniture purchased	on 1.1.20X2	100
		600
Less Depreciation		(84)
(500 x 16% + 100 x 16% x 3/12)		
Closing balance		516

CA SONAL KALRA

Q8A

Question No 8A
In the books of Treadmill

Fig'000

Branch A/c

Particulars	₹	Particulars	Fig'000
To Bal B/D		By Bal B/d	–
• Stock	2,160		
• Debtors	768	By Stock Reserve (Op Stock Reserve) (2,160 × 1/6)	360
• Cash	20		
• Furniture	1,000		
To Goods sent to Branch	26,400	By Goods sent to branch (Load on Goods sent) (26,400 × 1/6)	4,400
To Goods sent to Branch (Load on Returns) (348 × 1/6)	58	By Goods sent to branch (Returns to HO) (144 + 204)	348
To Bank (Furniture)	200		
		By Remittances (WN-3)	23,400
To Stock reserve (Closing Stock Reserve) (2,736 × 1/6)	456		
To Bal C/D – Dis Exp	12	By Bal C/D	
		• Stock (WN-2)	2,736
		• Debtors (WN-1)	1,970
		• Cash	20
		• Furniture (WN-4)	1,032
To Net profit	2,192		
	33,266		33,266

Working notes

Fig'000

WN-1 Memorandum Branch Debtors A/c

To Bal B/d		768	By Collection from Debtor		5,684
To Credit Sales	6,280		By Discounts Allowed		116
Less Returns	(204)	6,076	By bad debts		74
			By Bal C/d		970
		6,844			6,844

WN-2 Memorandum Branch Stock A/c

To Opening Stock		2,160	By Sales		
			Cash Sales	19,400	
			Credit Sales	6,280	
To Goods sent to branch		26,400	Less Returns	(204)	25,476
			By Goods sent to branch (Returns to HO) (144+204)		348
			By Closing stock (B/F)		2,736
		28,560			28,560

CA SONAL KALRA

WN-3 Memorandum Branch Cash A/c

Particulars	Amount	Particulars	Amount
To Bal B/d	20	By Expenses paid	1,684
To Cash Sales	19,400	By Remittance to H.O (B/F)	23,400
To Collection from debtors	5,684	By Bal C/d	20
	25,104		25,104

WN-4 Calculation of closing balance of furniture

Opening balance as on	1.04.2022	1,000
Add Furniture purchased	on 1.01.2023	200
Less Depreciation (1,000 x 16% + 200 x 16% x 3/12)		(168)
Closing balance		1,032

CA SONAL KALRA

Q10

Question No 10
In the books of Head office
Branch A/c

Particulars		₹	Particulars	
To Bal B/D			By Bal B/d	
• Stock	10,000		• Salary O/S	100
• Debtors	4,000			
• Petty Cash	500		By Stock Reserve	—
• Furniture	2,000		(Op Stock Reserve)	
• Prepaid Insurance	150	16,650		
To Goods sent to Branch		80,000	By Goods sent to branch (Load on Goods sent)	—
To Goods sent to Branch (Load on Returns)		—	By Goods sent to branch (Returns to HO)	1,000
To Bank			By Remittances	
• Rent	2,000		Cash Sales	130000
• Salary	2,400		Collection from debtors	35000
• Petty cash	1,000		Direct collection from	
• Insurance	600	6,000	Branch debtors	2,000
			Insurance claim	1,000 168,000
To Stock reserve (Closing Stock Reserve)		—		
			By Bal C/D	
			• Stock	5,000
			• Debtors	4900
			• Petty Cash (WN2)	650
To Bal C/D		—	• Furniture	1,800
			• Prepaid Insurance (600 × 3/12)	150 12,500
To Profit		78,950		
		1,81,600		181600

WN-1

Memorandum Branch Debtors A/c

To Bal B/D		4,000	By Collection from Debtors		35,000
To Credit Sales	40,000		By H.O. (Remittance by debtor)		2,000
Less: Returns	(2,000)	38,000	By Discount Allowed		100
			By Bal c/d		4,900
		42,000			42,000

WN-2

Memorandum Branch Petty Cash A/c

To Bal B/D	500	By Petty Expenses		850
To Transfer from HO	1,000	By Bal c/d		650
	1,500			1,500

WN-3

Calculation of Closing Balance of furniture

Opening Balance as on 1.1.2018		2000
less: Depreciation (2000 × 10%)		(200)
Closing Balance		1800

CA SONAL KALRA

Q9

Question 9

In the books of Vijay & Co

Patna Branch Trading & P&L A.c

Particulars	₹	Particulars	₹
To Opening stock	60,000	By Sales	
		Cash	1,85,000
(72,000 − 72,000 × 1/6)		Credit	6,25,000
To Goods sent to branch	7,00,000	Less Returns	(14,000) 7,96,000
(8,40,000 − 8,40,000 × 1/6)			
Less: Returns to HO	(50,000) 6,50,000	By Closing Stock	1,25,000
(60,000 − 60,000 × 1/6)			
To Gross Profit	2,11,000		
	9,21,000		9,21,000
To Discount allowed	7,500	By Gross Profit	2,11,000
To Bad debts	5,500	By Bad debts recovered	1,000
To Rent, Rates & Taxes	24,000		
To Salary & Wages	72,000		
To Office expenses	9,200		
To Net Profit	93,800		
	2,12,000		2,12,000

CA SONAL KALRA