# Branch Accounting

## Short Sums

**Q-1] VNSGU November 2024**

(1) Jamnagar branch has sent Rs. 5,00,000 by cash to Surat H.O. on 30-03 2024. This amount was received by H.O. on 02-04-2024. Pass the journal entries in the books of affected office.

(2) Surat head office sent goods to Rajkot branch Rs. 10,00,000 on 29-03-2024. Which was received by the branch on 03-04-2024. Write journal entries in the books of head office and branch.

(3) Depreciation of branch assets of which accounts on maintained by head office not provided for Rs. 25000. Write journal entries in the books of head office and branch.

**Q-2] VNSGU November 2023**

Give journal entries in the books of H.O for the following Transactions:

1. Expenses paid by H.O for its surat branch Rs 1,60,000 and for Olpad branch Rs 240000 not yet adjusted on account.
2. Depreciation amounting Rs 12,000 on Navsari Branch's Fixed assets, account is maintained at the H.O.
3. Goods sent by Surat branch to Pardi Branch of Rs 1,20,000 are yet to be recorded.
4. Goods of Rs 12,000 were returned by a customer of Navsari Branch to Valsad Branch.

**Q-3] VNSGU December 2022**

Journal necessary entries in the head office and branch books to record the adjustment dealing with the following

1) Goods values at Rs. 14,400 had been forwarded by head office to the branch and invoiced on 31st March 2022 but not received by the branch.
2) Depreciation of Branch assets of which accounts on maintained by the head office not provided for Rs. 12,650.
3) The balance of profit Rs. 4,399 shown by the branch is to be transferred to the head office books.

**Q-4] VNSGU December 2022**

1) In the book of H.O., Building of a branch showing outstanding of Rs. 9,00,000. It has been decided to calculate the depreciation at the rate of 10% at the end of the year. Write journal entries in book of H.O. and branch.
2) Surat branch has sent Rs. 1,00,000 by cash to Vadodara H.O. on 29-3-2022. This amount was received by H.O. on 2-4-2022. Pass the journal entries in the books of affected office.
3) Valsad head office sent goods to Surat branch Rs. 1,65,000 on 25-3-2022. Which was received by the branch on 5-4-2022. Write journal entries in the books of head office and branch.

**Q-6] VNSGU February/March 2024**

On 1/7/2021, the UK branch purchases plant at £ 10,000 and it was financed by a bank loan. On 31/12/2021, the loan remaining unpaid was £ 8,000. During 2022, a further £ 2,000 was paid on account of the loan. Accounts are prepared for the calendar year. Show how the Plant Account and Bank Loan Account would appear in the balance sheet as at 31/12/2022 after transactions.

Exchange Rates
On 1/7/2021: 1 £= Rs. 60
On 31/12/2021: 1 £= Rs. 65
On 31/12/2022: 1 £= Rs. 70

**Q-7] VNSGU June 2023**

From the following information give adjustments entry in the books of head office and also prepare head office account in the books of branch And Branch Account in the books of Head office.

| | |
|---|---|
| 1) Branch account (Dr) | ₹ 2,10,800 |
| 2) Head office A/c (Dr) | ₹ 1,79,800 |
| 3) Goods sent to branch | ₹ 3,00,000 |
| 4) Goods received by branch | ₹ 2,09,400 |

**Q-8] VNSGU March 2023**

Give journal entries in the books of Vadodra Branch to rectify the following.

i) Head office directly collected Rs. 30,000 from Aman, a customer on behalf of branch, but no intimation to this effect has been received by the branch.

ii) A remittance of Rs. 39,000 sent by Vadodra branch has not yet been received by Head office.

iii) Vadodra branch incurred expenses of Rs. 46,000 on behalf of Navsari branch.

**Q-9] VNSGU March 2026**

Right journal entries in the book of the head office of the following transactions.

1) Head office paid ₹5,50,000 of its own Sita branch and Jaya branch ₹4,00,000 which are not recorded in the books.
2) Depreciation on property of Sita branch is ₹48,000. The property account is maintained in head office books.
3) Goods worth ₹65,000 and goods worth ₹75,000 are sent to both the branches by the head office which are not received by the branch till 31st March year end.
4) A customer of Sita branch returned goods worth ₹75,000 to Jaya branch.
5) Goods of ₹4,60,000 were sent by Sita branch to Jaya branch which was not recorded

**Q-10] VNSGU November 2025**

1. Bardoli branch has sent Rs. 2,00,000 by cash to Surat H.O. on 29-3-2025. This amount was received by H.O. on 2-4-2025. Pass the Journal entries in the books of affected office.
2. Baroda head office sent goods to Bharuch branch Rs. 3,30,000 on 25-3-2025. This was received by the branch on 5-4-2025. Pass the Journal entries in the books of affected office.
3. In the book of the H.O. building of a branch showing outstanding of Rs. 18,00,000. It has been decided to calculate the depreciation at the rate of 10% at the end of the year. Write journal entries in the book of H.O. and branch.

## Long Sums

**Q-1] VNSGU November 2024**

Manoj Ltd. has H.O. in Surat and Branch in Patan. Branch received part of goods at cost price From H.O. and purchase part of the goods from outside. The Branch maintains its separate books of account. The trial balance of the H.O. and branch as on 31-3-2024 is as follows:

| Particulars | H.O. Debit Rs. | H.O. Credit Rs. | Branch Debit Rs. | Branch Credit Rs. |
|---|---|---|---|---|
| Capital | - | 21,00,000 | - | - |
| Fixed Assets | 6,62,200 | - | 2,24,000 | - |
| Debtors-Creditors | 9,10,000 | 2,54,800 | 70,000 | 1,79,200 |
| Opening Stock | 2,10,000 | - | 25,200 | - |
| Profit and Loss A/c (1-4-2023) | - | 1,37,200 | - | - |
| Purchase and Sales | 21,00,000 | 22,40,000 | 1,14,800 | 4,62,000 |
| Miscellaneous Expenses | 5,74,000 | - | 49,000 | - |
| Goods sent by H.O. | - | 3,40,200 | 3,15,000 | - |
| and Cash and Bank | 3,89,200 | - | 28,000 | - |
| Current A/c (Branch and H.O.) | 2,26,800 | - | - | 1,84,800 |
| | 50,72,200 | 50,72,200 | 8,26,000 | 8,26,000 |

Additional information:

(1) Depreciation fixed assets 20% p.a.

(2) The closing stock of H.O. is Rs. 6,37,000 and that of branch is Rs. 49,000 on 31-3-2024.

(3) The difference in the current account balances of H.O. and the branch is due to cash in transit and goods in transit.

Prepare Columnar Trading Account and Profit and Loss Account and Consolidated Balance Sheet of Manoj Ltd. (H.O. and Branch) and also prepare current account of branch in the books of H.O.

**Q-2] VNSGU November 2024**

The balances as on 31-03-2024 of U.S.A. Head office in the books of Surat Branch are as follows:

| Particulars | Debit -Pound | Credit -Pound |
|---|---|---|
| Plant- Machinery | 13,50,000 | - |
| Furniture | 5,40,000 | - |
| Opening stock (01-04-2023) | 9,18,000 | - |
| Purchases - Sales | 24,84,000 | 67,06,800 |
| Goods sent to H.O. | 6,75,000 | - |
| Salaries | 2,55,300 | - |
| Carriage inward | 15,525 | - |
| Rent and Taxes | 1,17,300 | - |
| Insurance | 31,050 | - |
| Trade Expenses | 15,525 | - |
| Head office Account | - | 8,51,400 |
| Sundry Debtors - Sundry Creditors | 12,60,000 | 7,87,500 |
| Cash at Bank | 15,750 | - |
| Cash at Hand | 47,250 | - |
| Wages | 6,21,000 | - |
| | 83,45,700 | 83,45,700 |

Additional information:

(1) Salaries outstanding Rs. 15,750.
(2) Calculate depreciation on plant 10% and furniture 5%.
(3) The Head office sent goods to branch for $ 11,250.
(4) The Head office shows an amount of $ 18,000 due from branch.
(5) Stock on31-03-2024 Rs. 12,60,00
(6) The fixed assets are purchased on 1-4-2022.
(7) Exchange rates are as under.
    On 1-4-2022 1 $ = Rs. 60.
    On 1-4-2023 1 $ = Rs. 68.
    On 31-3-2024 1 $= Rs. 70.
    Average rate during the year 1 $ = Rs. 69.

Convert the above Trial Balance into dollar and Prepare Branch Final account in the books Head office.

**Q-3] VNSGU November 2023**

The Balances as on 31-12-2022 of London (Head Office) in the books of Kolkata Branch are as follows: -

| **Particular** | **Debit Balance (Rs.)** | **Credit Balance (Rs.)** |
|---|---|---|
| Stock (1st January 2022) | 1,26,000 | - |
| Purchase and sales | 7,50,000 | 11,25,000 |
| Debtors & Creditors | 3,90,000 | 2,60,000 |
| Bills Receivable & Payables | 1,04,000 | 91,000 |
| Wages and Salary | 48,000 | - |
| Rent, Taxes & Insurance | 36,000 | - |
| Misc Expenses | 15,000 | - |
| Furniture | 49,100 | - |
| Bank Balance | 2,89,900 | - |
| London Office a/c | - | 3,32,000 |
| | **18,08,000** | **18,08,000** |

On 31st December 2022, value of stock was Rs 3,25,000. On 31st December 2022, Debit balance of Kolkata Branch in books of London Head office was 5360 Pound. Balance of Furniture fixtures in the books of London head office was 700 Pound.

Exchange Rates: -
As on 31-12-2021, 1 Pound = Rs 70
As on 31-12-2022, 1 Pound = Rs 65
Average of the year, 1 Pound = Rs 60.

Prepare Trading A/c, Profit and Loss A/c and Balance sheet as on 31-12-2022 of Kolkata Branch in the books of London Head Office.

**Q-4] VNSGU November 2023**

An American Company has a branch at London. Trial Balance as on 31-3-23 is as follows: -

| **Particular** | **Debit Balance (Pound)** | **Credit Balance (Pound)** |
|---|---|---|
| Stock (1st April 2022) | 24000 | - |
| Purchase and sales | 64000 | 1,72,800 |
| Debtors & Creditors | 32000 | 20,000 |
| Wages | 16000 | - |
| Salary | 6560 | - |
| Rent, Taxes | 3040 | - |
| Trade Expenses | 640 | - |
| H.O a/c | - | 32,800 |
| Furniture | 16,000 | - |
| Plant Machinery | 40,000 | - |
| Carriage Inward | 800 | - |
| Insurance | 960 | - |
| Good Received from H.O | 20,000 | - |
| Cash in Hand | 1040 | - |
| Bank Balance | 560 | - |
| | **2,25,600** | **2,25,600** |

Additional Information: -

1. Calculate depreciation on Plant machinery at 10 % and on furniture at 5 %.
2. Salary Outstanding is 600 Pound
3. The Head office has sent goods to the branch worth 18,000 dollars.
4. The Head office shows an account of 76,440 dollars due from branch.
5. Stock on 31/3/23 is 32,000 Pound.
6. The Fixed assets were purchased on 1/4/2018 that time exchange rate was 1 Pound, 2 Dollar.
7. Exchange Rates: -
   As on 1-4-2022, 1 Pound = 1.5 $, As on 31-3-2023, 1 Pound = 1.6 $, Average of the year, 1 Pound = 1.5 $

Convert the above Trial Balance into dollar and prepare Branch Final Accounts in the books of Head Office.

**Q-5] VNSGU November 2023**

Gujarat Export House (Head Office) has a branch in U.K. U.K. Branch shows following Trial Balance in it's books as on 31/3/2023.

| Debit Balances | Pound(£) | Credit Balances | Pound (£) |
|---|---|---|---|
| Opening Stock | 1,260 | Sales | 11,250 |
| Purchases | 7,500 | Creditors | 2,600 |
| Debtors | 3,900 | Bills Payable | 910 |
| Bills Receivables | 1,040 | Head Office A/C | 3,320 |
| Wages - Salary | 480 | | |
| Rent - Taxes | 360 | | |
| Sundry Expenses | 150 | | |
| Furniture | 490 | | |
| Bank Balance | 2900 | | |
| | **18,080** | | **18,080** |

Additional information:

1. Stock available for £625 as on 31/3/2023.
2. On 31/3/2023, debit balance of Rs. 297530.6 available in the books of Head Office.
3. Details of exchange rate
   At the beginning of the year 1£ = 84
   At the closing of the year 1£ = 72
   Average 1£ = 78

You are asked to prepare Trading, Profit & Loss A/C for the year ended 31/3/2023 and Balance Sheet on that date of U.K. Branch in the books of Head Office.

**Q-6] VNSGU November 2023**

Surat Co. Ltd (Head Office) has Branch in New York (USA). Trial Balance of branch on 31/3/2023 and additional information are as under.

| Particular | Dr. (US $) | Cr. (US $) |
|---|---|---|
| Office Equipment Sales | 9,600 | -- |
| Furniture & Fixtures | 640 | -- |
| Inventories (1/4/2022) | 4,480 | -- |
| Purchases | 19,200 | -- |
| Sales | -- | 33,280 |
| Goods sent to H.O | 6,400 | -- |
| Salaries | 640 | -- |
| Carriage | 80 | -- |
| Rent, Rates and Taxes | 160 | -- |
| Insurance Premium | 80 | -- |
| Trade Expenses | 80 | -- |
| Head Office Account | -- | 9,120 |
| Sundry Debtors | 1,920 | -- |
| Sundry Creditors | -- | 1,360 |
| Cash at Bank | 400 | -- |
| Cash on Hand | 80 | - |
| | **43,760** | **43,760** |

Additional information:

1. Salaries outstanding $ 80
2. Depreciate office equipment and furniture and fixtures at 10% p.a at written down value.
3. The Head Office sent goods to branch for Rs. 3,16,000.
4. The Head Office shows an amount of Rs. 4,10,000 due from branch.
5. Stock on 31/3/2023 $ 4,300.
6. There were no transit items either at the start or at the end of the year.
7. On April 1, 2021 when the fixed assets were purchased, the rate of exchange was $ 40 for $ 1.

8. Exchange Rates were as follows
   On 1/4/2022 Rs. 45 per $
   On 31/3/2023 Rs. 50 per $
   Average Rs. 47 per $

Prepare,

1. Trial Balance incorporating adjustments given converting dollars into rupee.
2. Trading, Profit & Loss Account and Balance Sheet as on date.

**Q-7] VNSGU December 2022**

Gujarat Traders has a branch at New York. Its trial balance as on 31-3-2022 is as follows:

| Particulars | Debit ($) | Credit ($) |
|---|---|---|
| Plant - Machinery | 11,250 | - |
| Furniture | 4,500 | - |
| Stock(1-4-2021) | 6,750 | - |
| Debtors - Creditors | 9,000 | 5,625 |
| Purchases - Sales | 18,000 | 48,600 |
| Wages | 4,500 | - |
| Carriage inward | 100 | - |
| Salaries | 1850 | - |
| Rent and Taxes | 850 | - |
| Insurance | 225 | - |
| Trade expenses | 100 | - |
| Goods received from Gujarat Traders | 5,625 | - |
| Cash on hand | 375 | - |
| Cash in bank | 100 | - |
| H.O Account | - | 9,000 |
| | **63,225** | **63,225** |

Additional information:

1) Calculate depreciation on plant at 10% and furniture 5%.
2) Salary outstanding 225$.
3) The H.O. has sent goods to branch worth Rs. 3,37,500.
4) The H.O. shows an amount Rs. 8,02,500 due from branch.
5) Stock on 31-3-2022 9,000$.
6) The fixed assets are purchased on 1-4-2020.
7) Exchange rates are as under

On 1-4-2020 1$ = Rs. 70

On 1-4-2021 1$ = Rs. 76

On 31-3-2022 1$ = Rs. 80

Average rate during the year 1$ = Rs.78

Convert the above trial balance into rupees and prepare final accounts of branch in the books of H.O.

**Q-8] VNSGU December 2022**

Jaya Ltd. has H.O. in Valsad and Branch in Ahmedabad. Branch received part of the goods at cost price from H.O. and purchase part of the goods from outside. The branch maintains its separate books of account. The trial balance of the H.O. and branch as on 31-3-2022 is as follows:

| Particulars | H.O | | Branch | |
|---|---|---|---|---|
| | Debit Rs. | Credit Rs. | Debit Rs. | Credit Rs. |
| Capital | - | 10,50,000 | - | - |
| Fixed Assets | 3,31,100 | - | 1,12,000 | - |
| Debtors-Creditors | 4,55,000 | 1,27,400 | 35,000 | 89,600 |
| Opening Stock | 1,05,000 | - | 12,600 | - |
| Profit and Loss A/c. (1-4-2021) | - | 68,600 | - | - |
| Purchase and Sales | 10,50,000 | 11,20,000 | 57,400 | 2,31,000 |
| Miscellaneous Exp. | 2,87,000 | - | 24,500 | - |
| Goods sent by H.O. | - | 1,70,100 | 1,57,500 | - |
| Cash and Bank | 1,94,600 | - | 14,000 | - |
| Current A/c. (Branch / H.O) | 1,13,400 | - | - | 92,400 |
| | **25,36,100** | **25,36,100** | **4,13,000** | **4,13,000** |

1) Depreciation fixed assets at 20% p.a.
2) The closing stock of H.O. is Rs. 3,18,500 and that of branch is Rs. 24,500 on 31-3-2022.
3) The difference in the current account balances of H.O. and the branch is due to cash in transit and goods in transit.

Prepare Columnar Trading Account and Profit and Loss Account and consolidated Balance Sheet of Jaya Ltd. (H.O and Branch) and also prepare current account of branch in the books of H.O.

**Q-11] VNSGU February/March 2024**

On 31/12/2023 the following balances appeared in the books of Gujrat Branch of an English Firm having it's head office in New York.

| Particular | Dr. Bal. (Rs.) | Cr. Bal. (Rs.) |
|---|---:|---:|
| Stock on 1/1/2022 | 4,68,000 | -- |
| Purchases and Sales | 31,25,000 | 46,87,500 |
| Debtors & Creditors | 15,30,000 | 10,20,000 |
| Bills Receivables & Payables | 4,08,000 | 3,57,000 |
| Salaries & Wages | 2,00,000 | -- |
| Rent, Rates, and Taxes | 2,12,500 | -- |
| Furniture | 1,82,000 | -- |
| Bank A/C | 11,37,300 | -- |
| New York A/C | -- | 11,98,300 |
| Total | 72,62,800 | 72,62,800 |

Additional Information:

1. Stock on 31/12/2023 was Rs. 12,75,000.
2. Branch account in New York books showed a debit balance of $ 26,800 on 31/12/2023.
3. Furniture appeared in the head office books at $ 3,500.
4. The rate of exchange for 1$ on 31/12/2022 was Rs. 52 and on 31/12/2023 was Rs. 51. Average rate for the year was Rs. 50.

Prepare in the books of Head Office, the Statement of Profit & Loss Account and Balance Sheet as on 31/12/2023.

**Q-12] VNSGU February/March 2024**

Mumbai based Company has a branch in UK. Head Office is situated in Mumbai. UK branch shows following Trial Balance in it's books as on 31/3/2023.

| Debit Balances | Pound (£) | Credit Balances | Pound (£) |
|---|---|---|---|
| Opening Stock | 252 | Sales | 2,250 |
| Purchases | 1,500 | Creditors | 520 |
| Debtors | 780 | Bills Payable | 182 |
| Bills receivable | 208 | Head Office A/C | 664 |
| Wages & Salaries | 96 | | |
| Rent, Rates & Taxes | 72 | | |
| Sundry Expenses | 30 | | |
| Furniture | 98 | | |
| Bank Balance | 580 | | |
| | 3,616 | | 3,616 |

Additional Information:

1. Stock available as on 31/3/2023 of £ 130.
2. On 31/3/2023, debit balance of Rs. 59,507.2.
3. Details of exchange rate are as follows:

At the beginning of the year 1 £ = Rs. 84

At the end of the year 1 £= Rs. 78

Average for the year 1 £= Rs. 72

Prepare Final Accounts of Branch in the books of Head Office.

**Q-13] VNSGU June 2023**

Raj Lid. has H. O. in Surat and Branch in Baroda. Branch received part of the goods at cost price from H.O. and purchased part of the goods from outside. The branch maintains its separate books of account, The trial balance of the H.O. and branch as on 31.3.22 are as follows:

| Particulars | H.O. | | Branch | |
|---|---|---|---|---|
| | Dr. (₹) | Cr. (₹) | Dr. (₹) | Cr. (₹) |
| Capital | | 7,87,500 | | |
| Goods sent by H.O | | 1,27,575 | 1,18,125 | |
| Profit and Loss A/c. (01.04.21) | | 51,450 | | |
| Purchase and Sales | 7,87,500 | 8,40,000 | 43,050 | 1,73,250 |
| Fixed Assets | 2,48,325 | | 84,000 | |
| Stock (01.04.2021) | 78,750 | | 9,450 | |
| Debtors-Creditors | 3,41,250 | 95,550 | 26,250 | 67,200 |
| Cash and Bank | 1,45,950 | | 10,500 | |
| Miscellaneous Expense | 2,15,250 | | 18,375 | |
| Current Account (Branch H.O.) | 85,050 | | | 69,300 |
| | 19,02,075 | 19,02,075 | 3,09,750 | 3,09,750 |

Other Information:

(1) Depreciation fixed assets at 20% p.a.

(2) The closing stock of H.O. is ₹ 2,38,875 and that of branch is ₹ 18,375 on 31.3.2022.

(3) The difference in the current account balances of H.O. and the branch is due to cash in transit and goods in transit.

Prepare Columnar Trading Account and Profit and Loss Account and consolidated Balance Sheet of Raj Ltd. (H.O and Branch) and also prepare Current Account of branch in the books of H.O.

**Q-14] VNSGU June 2023**

Following are the Trial Balance of Surat Head Office and London Branch as on 31 -03-2022.

| **Particulars** | **H.O.** | | **London Branch** | |
|---|---|---|---|---|
| | **Dr.** | **Cr.** | **Dr. (pound)** | **Cr. (pound)** |
| Capital | | 56,250 | | |
| Head Office Account | | | | 1,282.5 |
| Branch Account | 92,512.5 | | | |
| Land-Building | 11,250 | | | |
| Plant-Machinery O | 90,000 | | 1,350 | |
| Goodwill | 5,625 | | | |
| Furniture- Fitting | 3,375 | | 90 | |
| Stock (01-4-2021) | 38,250 | | 630 | |
| Purchase | 2,37,600 | | 2,700 | |
| Goods from H.O. | | | 900 | |
| Goods to London Branch | | 88,350 | | |
| Sales | | 2,61,187.5 | | 4,680 |
| Salary-Wages | 10,800 | | 90 | |
| Rent and taxes | 1,350 | | 22.5 | |
| Insurance | 787.5 | | 11.25 | |
| Trade expenses | 2,025 | | 22.5 | |
| Debtors-Creditors | 24,750 | 1,25,137.5 | 270 | 191.25 |
| Cash on hand | 12,600 | | 67.5 | |
| | 5,30,925 | 5,30,925 | 6,153.75 | 6,153.75 |

Additional Information:

(1) Stock on 31-3-2022 was valued at Head Office 32,850 and London branch 585 pound.

(2) Depreciation on Plant-Machinery and Furniture to be provided at 10% p.a.

(3) The fixed assets were purchased on 01-04-2020.

(4) Rate of exchange as under:

(i) On 01 -04-2020 1 pound = ₹ 80

(ii) On 01-04-2021 1 pound = ₹ 89

(iii) On 31-03-2022 1 pound = ₹ 85

(iv) Average rate for the year 1 pound ₹ 87

You are required to prepare a Combined Columnar Profit and Loss Account and Balance Sheet of H.O. and Branch.

**Q-15] VNSGU March 2023**

Vrindavan Ltd. (An Indian Co.) has a branch in Washington. It's Trial Balance on 31/3/2022 is as follows:

| Particular | Dr. ($.) | Cr. ($.) |
|---|---|---|
| Plant & Machinery | 1,20,000 | - |
| Furniture & fixtures | 8,000 | - |
| Stock on 1/4/2021 | 56,000 | - |
| Purchases | 2,40,000 | - |
| Sales | - | 4,16,000 |
| Goods from Indian Co. ( Head Office) | 80,000 | - |
| Wages | 2,000 | - |
| Carriage Inward | 1,000 | - |
| Salaries | 6,000 | - |
| Rent, rates and taxes | 2,000 | - |
| Insurance | 1,000 | - |
| Trade Expenses | 1,000 | - |
| Head Office A/C | - | 1,14,000 |
| Trade Debtors | 24,000 | - |
| Trade Creditors | - | 17,000 |
| Cash at bank | 5,000 | - |
| Cash in hand | 1,000 | - |
| | **5,47,000** | **5,47,000** |

The following are further information:

1. Wages outstanding $ 1,000.
2. Depreciate Plant & Machinery and Furniture & Fixtures 10% p.a.
3. The Head Office shows an amount of Rs. 43,00,000 due from branch.
4. Stock on 31/3/2022 $ 52,000.
5. There were no in transit items either at the start or at the end of the year.
6. On 1/3/2020, when the fixed assets were purchased, the rate of exchange was Rs. 38 to one $.
   On 1/4/2021 the rate was Rs. 39 to one $.
   On 31/3/2022 the rate was Rs. 41 to one $.
   Average rate during the year was Rs. 40 to one $.

You are asked to prepare Trading, Profit & Loss A/C for the year ended 31/3/2022 and Balance Sheet on that date of Washington branch in the books of an Indian Co.

**Q-16] VNSGU March 2023**

Harry Co. Ltd. has head office at New York (USA) and branch at Surat (India). Surat branch furnishes you with it's following trial balance as on 31/3/2022 and additional information.

| Particular | Dr. (Rs.) | Cr. (Rs.) |
|---|---|---|
| Stock on 1/4/2021 | 3,00,000 | - |
| Purchases and Sales | 8,00,000 | 12,00,000 |
| Sundry debtors and creditors | 4,00,000 | 3,00,000 |
| Bills of exchange | 1,20,000 | 2,40,000 |
| Wages and salaries | 5,60,000 | - |
| Rent, rates and taxes | 3,60,000 | - |
| Sundry expenses | 1,60,000 | - |
| Computers | 2,40,000 | - |
| Bank balance | 4,20,000 | - |
| New York office account | - | 16,20,000 |
| | **33,60,000** | **33,60,000** |

Additional information:

1. Computers were acquired from a remittance of US \$ 6,000 received from New York head office and paid to the supplier. Depreciate computers 60% for the year.
2. Unsold stock of Surat branch was worth Rs. 4,20,000.
3. The rate of exchange may be taken as follows.

On 1/4/2021 Rs. 40 per US \$

On 31/3/2022 Rs. 42 per US \$

Average exchange rate for the year Rs. 41 per US \$.

4. Surat branch account showed a debit balance of US \$ 39,609 on 31/3/2022.

You are asked to prepare Trading, Profit & Loss A/C for the year ended 31/3/2022 and Balance Sheet on that date of Surat branch in the books of New York head office of Harry Co.

**Q-17] VNSGU March 2026**

As on 31-3-25 there were the following balances in the books of the Sydney Branch of Surat Head Office.

| Particulars | Debit $ | Credit $ |
|---|---|---|
| Stock | 15,000 | |
| Purchase and sales | 88,000 | 1,60,000 |
| Debtors Creditors | 32,000 | 30,000 |
| Bills receivable and bills payable | 25,000 | 15,000 |
| Wages | 6,500 | |
| Miscellaneous expenses | 2,000 | |
| Rent and tax | 4,800 | |
| Administrative expenses | 15,000 | |
| Insurance | 4,000 | |
| Send goods from Surat company | 20,000 | |
| Cash on hand | 5,000 | |
| Bank balance | 2,500 | |
| Head Office Account | | 51,600 |
| Furniture | 1,800 | |
| Plant Machinery | 35,000 | |
| | **2,56,600** | **2,56,600** |

1) Dt. Stock on hand on 31-3-25 was valued at $ 30,000.
2) On Dt. 31-3-25 in Books of Surat head office shows Sydney Branch Account ₹33,54,000 debit balance.
3) Goods sent by head office to branch ₹13,00,000.
4) Labor due 150$.
5) The Fixed assets were purchased on 7-10-22 at the exchange rate of 1$ = ₹40.
6) As on 31-3-24, exchange rate was 1$ = ₹ 60.
7) As on 31-3-25, exchange rate was 1$ = ₹ 62.
8) The average rate during the year was 1$ = ₹ 61.

   Convert the above Trial balance sheet to rupees and prepare the branch final accounts in the books of head office.

**Q-18] VNSGU March 2026**

Kamal Trader has its head office in Mumbai and its branch in Surat. The branch receives some goods from the head office at original cost and purchase some goods from outside. A branch maintains its books of accounts separately. Dt.31-3-2025 The Trial balance sheet of head office and branch as on is as follows:

| Particulars | Head Office | | Branch | |
|---|---|---|---|---|
| | **Debit ₹** | **Credit ₹** | **Debit ₹** | **Credit ₹** |
| Capital | | 3,75,000 | | |
| Land-building | 1,18,250 | | 40,000 | |
| Debtors and Creditors | 1,62,500 | 45,500 | 12,500 | 32,000 |
| Cash and bank balance | 69,500 | | 5,000 | |
| Opening Stock | 37,500 | | 4,500 | |
| Profit loss account (1-4-2023) | | 24,500 | | |
| Purchase and Sales | 3,75,000 | 4,00,000 | 20,500 | 82,500 |
| Miscellaneous expenses | 1,02,500 | | 8,750 | |
| Goods sent from head office to branch | | 60,750 | 56,250 | |
| At current (Branch/Head Office) | 40,500 | | | 33,000 |
| | **9,05,750** | **9,05,750** | **1,47,500** | **1,47,500** |

**Other Information :-**

1) Depreciation is charged at 20% on fixed assets.
2) Dt. 31-3-2025 Closing stock ₹ 1,13,750 to head office on and branch Closing stock is ₹ 28,750.
3) The difference between the current account of the branch and the head office is due to goods in transit and cash in transit.

   Prepare column Trading Account column Profit Loss Account and Combined Balance Sheet of Kamal Trader Head Office and Branch. Also create a current account of the branch in the books of the head office.

**Q-19] VNSGU November 2025**

The following balances appeared in the books of Navsari Branch Office having its H.O. in New York as on 31-3-25.

| Particulars | Debit Rs. | Credit Rs. |
|---|---|---|
| Debtors & Creditors | 4,76,000 | 5,10,000 |
| Bills Receivables & Bills Payable | 3,40,000 | 1,70,000 |
| Furniture | 1,60.000 | -- |
| Cash & Bank | 5,44,000 | -- |
| Administrative Expenses | 2,40,000 | -- |
| Rent & Taxes | 64,000 | -- |
| Miscellaneous Expenses. | 32,000 | -- |
| Wages | 88,000 | -- |
| New York Head Office A/c. | -- | 7,08,000 |
| Stock (1-4-22) | 3,24,000 | -- |
| Purchase and Sales | 13,60,000 | 22,40,000 |
| | **36,28,000** | **36,28,000** |

Other Information: -

1. Stock on 31 -3-25 was Rs. 6,80,000.
2. On 31-3-25 Navsari Branch A/c showed debit balance of 11,800 dollar in the books of H.O.
3. Furniture appeared in the books of H.O is 2,280 dollars.
4. The rates of exchange were:
   On 31-3-24 1 dollar = Rs. 90
   On 31-3-25 1 dollar = Rs. 85
   The average rate for the year was 1 dollar = Rs. 80.
   Prepare the annual accounts of the Navsari Branch in the books of the New York Head office by converting the above trail balance in to Dollar.

**Q-20] VNSGU November 2025**

Nisha Ltd. has H.O. in Surat and Branch in Bardoli. Branch received part of the goods at cost price form H.O. and purchase part of the goods from outside. The branch maintains its separate books of account. The trail balance of the H.O. and Branch as on 31-3-25 is as follows.

| Particulars | H.O. | | Branch | |
|---|---|---|---|---|
| | Debit Rs. | Credit Rs. | Debit Rs. | Credit Rs. |
| Capital | - | 21,00,000 | - | - |
| Fixed assets | 6,62,200 | - | 2,24,000 | - |
| Debtors - Creditors | 9,10,000 | 2,54,800 | 70,000 | 1,79,200 |
| Opening stock | 2,10,000 | - | 25,200 | |
| Profit & Loss A/c. (1-4-2024) | - | 1,37,200 | - | - |
| Purchase & Sales | 21,00,000 | 22,40,000 | 1,14,800 | 4,62,000 |
| Miscellaneous exp. | 5,74,000 | - | 49,000 | - |
| Goods sent by H.O. | - | 3,40,200 | 3,15,000 | - |
| Cash & Bank | 3,89,200 | - | 28,000 | - |
| Current A/c. (Branch/ H.O.) | 2,26,800 | - | - | 1,84,800 |
| | **50,72,200** | **50,72,200** | **8,26,000** | **8,26,000** |

1) Depreciation on fixed assets at 20% p.a.
2) The closing stock of H.O. is Rs. 6,37,000 and that of branch is Rs. 49,000 on 31-3-25.
3) The difference in the current account balances of H.O. and the branch is due to cash in transit goods in transit.
   Prepare Columnar Trading Account and Profit and Loss Account and Consolidated Balance Sheet of Nisha Ltd. (H.O and Branch) and also prepare current account of branch in the books of H.O.