

Format of Branch account in the books of head office say on 31.03.2020

DR. CR

Date	Particulars	Amount	Date	Particulars	Amount
1.4.2019	To opening balances of assets		1.4.2019	Bi opening balances of liabilities	
1.4.2019 to 31.3.2020	To goods sent to branch		1.4.2019 to 31.3.2020	By goods send to branch(returned to head office)	
1.4.2019 to 31.3.2020	To cash or bank account (Cash sent by head office for branch expenses)		1.4.2019 to 31.3.2020	By cash account or bank account (Cash sent by branch to head office) Cash sales and collection from debtors	
31.3.2020	To closing balances of liabilities		31.3.2020	By closing balances of assets	
	To Branch P/L a/c (profit)			By branch P/L a/c(loss)	

If credit side of the Branch Account is more than debit side then it will show branch profit and if debit side of the Branch Account is more than credit side then it will show brach loss.

Example of opening and closing branch assets are stock , furniture, debtors, petty cash, cash, prepaid salary etc.

Example of opening and closing liabilities are outstanding expenses like outstanding rent, outstanding salary etc.

When opening petty cash is given in the question but closing petty cash is not given then it will be calculated as under

Closing petty cash = opening petty cash + petty cash sent by head office - Petty expenses incurred by the branch during the year