

Part A/C

To Debtors 2000	
	By Balance c/d 2000
Balance c/d 2000	

Debitors Method
 (b) Invoice price method



Cost price + Profit = Invoice price IP

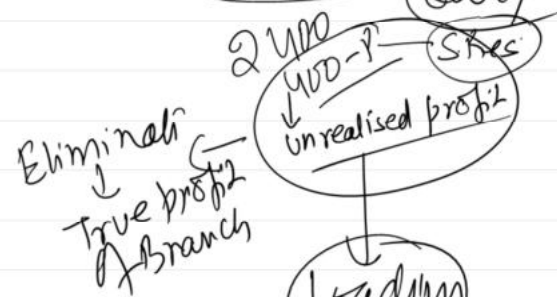
Hypothetical (अर्थात् Profit)

HO ← $100C + 20P = 120$
 ↓ ↓ ↓
 C P IP

$(120) \times 100$ = 12000
 Goods 12000
 80 Sale

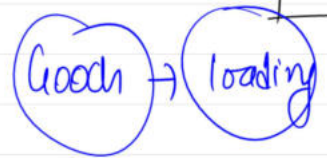
$(120) \times 20 = 2400$
 Branch Stocks = 2400

100×20 Cost = 2000
 $220 \times 20 = 4400$



Loading

SR | UR | Loading



→ Points to remember

Cost profit %
 $\frac{1}{2}$ 50%

Invoice price profit %
 $\frac{1}{2}$ 22.22%

$\frac{1}{3}$ 33.33%

$\frac{1}{4}$ 25%

$\frac{1}{4}$ 25%

$\frac{1}{5}$ 20%

$\frac{1}{5}$ 20%

$\frac{1}{6}$ 16.67%

Under Invoice price method problem will be solved as usual, as it was done in cost price method.

The only difference is that Branch A/c will be prepared fully at invoice price and wherever goods is there loading need to be eliminated.

जहाँ-जहाँ goods हैं वहाँ वहाँ वहाँ loading side में eliminate करें

Branch Account under IP method

Particulars	₹	Particulars	₹
To bal bld Stock	IP	By Stock Reserve (loading on op. stock)	Loading
To Goods Sent to Branch	IP	By Goods Sent to Branch	Loading
To G.S.B (loading on return)		By G.S.B (return)	IP
To Abnormal loss	Loading	By Abnormal loss	IP
To Stock Reserve (C.I. St)	Loading	By bal cld stock	IP

Apart from this Everything will be same as it was in cost price method.

Prob 2

In the books of HO Ltd
 Siliguri Branch Account (IP)

Particulars	₹	Particulars	₹
To bal b/d			
Stock (IP)	8000	By Stock Reserve	1600
Debtors	100000	>Loading) (80000 × 20%)	
To Goods sent to Branch		By GSB (Loading)	120000
(480000 + 480000 × 1/4)	600000	(480000 × 1/4)	
To Cash		By GSB (Return)	40000
Exp	150000	By Cash A/c (Cash Sales)	1,10,000
To GSB (Loading on Return)	8000	By Cash (Remittance/Collection)	650000
(40000 × 20%)			
To Stock Rese.	1700	By bal c/d	
(8500 × 20%)		Stock	8500
To General P/L	15440	Debtors	92000

Branch Debtors

bal d	100000	By	2000
Sales	680000	Ret	14000
2000		Cash	650000
		D/A	2000
		c/d	92000

lack of info

Prob 2

In the Books of HO
 Branch Account

	₹		₹
To bal b/d			
Stock (IP)	12000	By Stock Res (12000 × 1/5)	2500
Debtors	5000		
Petty Cash	1000	By GSB (loading)	
		(40000 × 1/5)	8000
To GSB	40000	By GSB (Return)	5000
To GSB (loading)		By Cash (Salu)	12000
(5000 × 1/5)	1000	By Cash (remittance)	20000
To BANK BAL			
Rates and Taxes	2000	By bal c/d	
Salaries	8000	Stock (IP)	15000
Misc exp	1000	Debtors	4000
		Petty Cash	1000
To Stock Res.			
(15000 × 1/5)	2000		
To Gen. P/L	2000		
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