

Reposting currency in which is a currency in which Final a/c are prepared (in ob 10)

Foreign Branch

A foreign Branch is an independent Branch where the currency is different.

US Co.

भारतवर्ष तब पट (in ₹)

विक्रय		५०३०२८
वेतन	१२६०५	
किराया	४८३१५	
ह्रास	}	}
	==	==

language Translation →

(in ₹)

Handwritten Trial Bal

	Dr	Cr.
Sales		543028
Salary	12605	
Rent	48315	

Currency Conversion →



Particular

opening items

closing items.

During the yr

FA/depts.

Inter Ho Br transaction

Rate on date of.

opening rate.

closing rate.

average rate.

Rate on the date of pur.

Corresponding figure from
Ho Books.

Any difference ^{in T/B} after conversion is transferred
to P&L .

Q22. Conversion of Branch Trial Bal
(in ₹)

Particular	(\$ Amount)	rate	Dr ₹	Cr ₹
FA	9000.	10	90000 ✓	
Inv & cash	360.	15	5400 ✓	
op's cost	2250	14	31500 ✓	
Sales	4800.	14		67200 ✓
Cr's	250	15		3750 ✓
HO warrant	4200	Contra		42600.
Acc depts	2360	10		23600
diff in Ex			10250	

Kashmir Crafts Ltd Profit & Loss Statement

	HO	B&L
Sales	186300	67200
Br profit	35700	—
	<u>222000</u>	<u>67200</u>
<u>less:</u>		
operating cost	103700	31500
diff in Ex.	10250	—
Br profit of to HO		35700
Net Profit	108050.	

Balance Sheet

<u>Shareholder fund</u>		
Share Capital		200000
Reserves		110800
+ P&L		108050
<u>Noncurrent Liability</u>		—
<u>Current Liability</u>		
Creditors	9700 + 3750	13450
		<u>432300</u>
<u>Noncurrent Asset</u>		
Fixed Asset	450000 + 90000	
- acc depr	<u>107100 + 23600</u>	409300
<u>Current Asset</u>		
D/S & Cash	17600 + 5400	23000
		<u>432300</u>

Stock	12600	14.	900	
Pure	75000	12.		
Sales	112500	12		
DOS	39000	13		
LOS.	26000	13		
BIR	10400	13.		
BIP	9100	13.		
Salaries	4800	12		
Rent	5100	12		
Fuel ^m .	4910	C	350.	
Bank	28990	13		
London etc.	33200	C.		2680.

diff in Ex

400

Bo To & P&L.

Op Stock	900.	Sale	9375.
Pure	6250	Op Stock.	2500
GP	4725		
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Salaries	400.	GP	4725
Rent.	425		
diff in Ex	400		
NP	<u>3500.</u>		

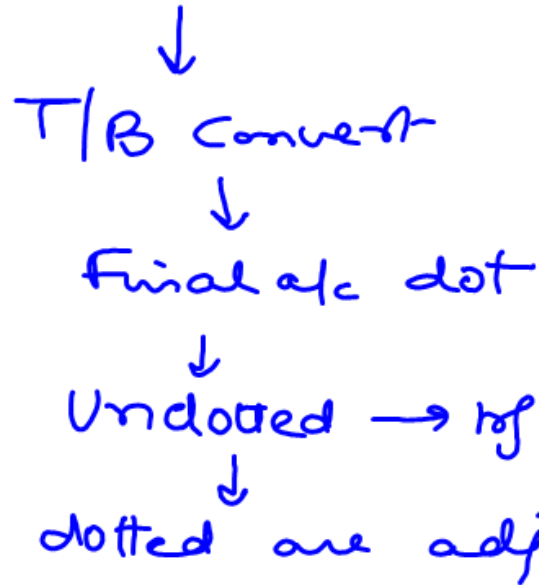
Bo B/S.

Landen etc.	2680.	Free ⁿ .	350
Profit	3500	Stock	2500
		Bank	2230
		Drs.	3000
CRS.	2000	B/R	800
B/P	700.		
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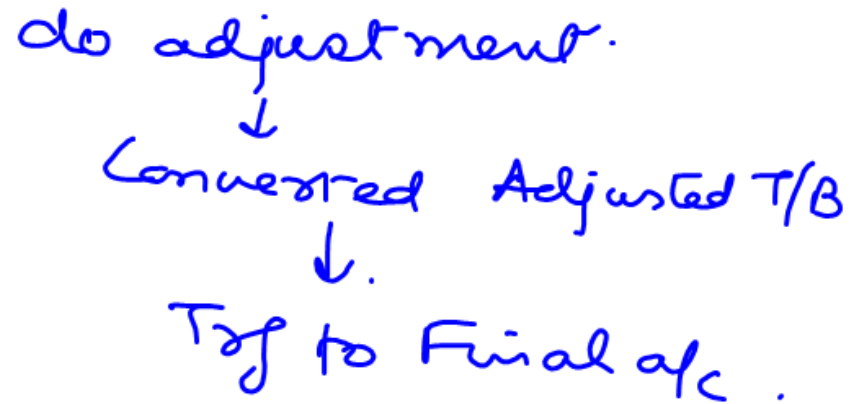
Strategy

Adjustment

Only thru P&L



Other than P&L / Mix



Q24 Conversion of Br T/B.

Particular	Amt(A\$)	Rate	₹ Dr	₹ Cr.
P&M	200.	18	3600	
P&M depr %s	130.	18		2340
Debtors	60.	24	1440	
Creditors	30.	24		720
Op Stock	20.	20.	400	
Bank	10	24	240	
Purchase	20	22	440	
Sales	123.	22		2706
GST B	5	C	100.	
Wages & Salaries	45	22	990.	
Rent	12	22	264	
Off Exp	18	22	396	
Comm opt	100	22		2200.
Ho over	7	C		120.
diff in Ex			216	

$$\begin{aligned} \text{Ys over} & 3125 \\ & \times 24 \\ & = 75000 \end{aligned}$$

$$\text{or } 75$$

$$P = \frac{1}{4} C = \frac{1}{5} S$$

$$\begin{aligned} \text{Stk Res} &= \frac{1}{5} \times 75 \\ &= 15 \end{aligned}$$

Profit & Loss Statement

	₹	₹
Sales	520	2706
Stock Res (op)	4	—
GSTB	100	—
Commission	256	2200
By Profit	2067	—
	<u>2947</u>	<u>4906</u>
less: Change in Stk		
₹ (100 - 150)	(50)	325
₹ (400 - 75)		
Purchase	240	440
GSTB	—	100
MD Salary	30	—
Wages & Salary	75	990
Rent	—	264
off Exp	25	396
Stock Res	15	—
Proor for DD	14	72
diff in Ex	216	—
depr on Bldg	80	—
on P&M	380	252
	<u>1922</u>	<u>2067</u>
By profit hf to ₹	1922	2067
— MD Comm.	40	
	<u>1882</u>	
Profit before tax	1882	
— Proor for tax	565	
	<u>1317</u>	
Net Profit	1317	

Balance Sheet

S	Share Capital	2000
	Reserves & Surplus	1000
N	Profit & Loss	1317
C	Creditors 200 + 720	920
	s/s MD Comm	40
	Proor for tax	565
	<u>5842</u>	
N	Land	500
	Building	720
	P&M 1520 + 1008	2528
C	Dos 280 + 1440	
	— Proor for DD (14 + 72)	1634
	Cash & BK 10 + 240	250
	Stock 150 + 75	
	— Stk Res (15)	210
	<u>5842</u>	

	Bldg(Ho)	P&M(Ho)	P&M (Per)
cost	1000	2500.	3600
- depr Res	200	600	2340.
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WDV ↙	800.	1900.	1260
- depr ↘	80	380	252.
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cl bal	720.	1520.	1008
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$$\begin{aligned} \text{Profit before Comm} &= \cancel{2138} \quad 1922 \\ + \text{Profit for DN} (14+72) & \quad 86. \end{aligned}$$

$$\begin{aligned} \text{Profit for Comm calculation} & \quad \cancel{2224} \quad 2008 \\ \text{Comm @ 2\%} & \quad \frac{\cancel{2224}}{2008} = 44 \quad 40. \end{aligned}$$