

2. Branch Books

A. Home Office purchased \$3,000 of Equipment for the Branch.

Equipment	3,000	
Home Office		3,000

B. Branch Purchased \$5,000 Equipment for its use.

Equipment	5,000	
Cash		5,000

If Home Office Accounts Receivable is collected by the Branch:

1. Home Office Books

Investment in Branch	xx	
Accounts Receivable		xx

2. Branch Books

Cash	xx	
Home Office		xx

If Branch Accounts Receivable is collected by the Home Office:

1. Home Office Books

Cash	xx	
Investment in Branch		xx

2. Branch Books

Home Office	xx	
Accounts Receivable		xx

Inventory Beg	xx
Net Purchases	<u>xx</u>
Total Goods Available for Own Use	xx
Inventory End	<u>(xx)</u>
Cost of Goods Sold	<u>xx</u>