**Practice 2**

The following were the balances of head office and branch of Wong Enterprise at 31 December Year 2:

|  |  |  |
| --- | --- | --- |
|  | **Head Office** | **Branch** |
|  | **RM** | **RM** |
| Motor Vehicle | 56,000 | 10,800 |
| Inventory, 31 December Year 2 | 12,000 | 4,800 |
| Accounts Receivable | 24,000 | 3,200 |
| Cash at Bank | 16,000 | 3,600 |
| Branch Current, 1 January Year 2 | 15,200 | - |
| Head Office Current, 1 January Year 2 | - | 15,200 |
| Goods Sent to Branch | 12,000 | - |
| Cash remitted to head office | - | 10,400 |
| Capital | 99,200 | - |
| Profit for the year | 22,000 | 6,400 |
| Accounts Payable | 4,800 | - |
| Goods received from Head Office | - | 11,200 |
| Cash received from Branch | 9,200 | - |

**You are required to prepare:**

1. Branch Current account in the Ledger of head office;
2. Head Office Current account in the Ledger of branch;
3. Statement of Financial Position as at 31 December Year 2, in the columnar form for Head Office, Branch and the business as a whole.