



Solution

Answer (a)

MACHINERY ACCOUNT

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
01-01-2014	To Bank A/c Machine (I) (5,50,000 + 50,000)	6,00,000	31-12-2014	By Depreciation A/c Machine (I) 60,000 Machine (II) <u>12,333</u>	72,333
01-09-2014	To Bank A/c	3,70,000	31-12-2014	By Balance c/d Machine (I) 5,40,000 Machine (II) <u>3,57,667</u>	8,97,667
		<u>9,70,000</u>			<u>9,70,000</u>
01-01-2015	To Balance b/d Machine (I) 5,40,000 Machine (II) <u>3,57,667</u>	8,97,667	31-12-2015	By Depreciation A/c Machine (I) 60,000 Machine (II) 37,000	
01-05-2015	To Bank A/c Machine (III) 8,40,000	8,40,000	31-12-2015	Machine (III) <u>56,000</u> By Balance c/d Machine (I) 4,80,000 Machine (II) 3,20,667 Machine (III) <u>7,84,000</u>	1,53,000 15,84,667
		<u>17,37,667</u>			<u>17,37,667</u>



Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
01-01-2016	To Balance b/d		31-12-2016	By Depreciation A/c	
	Machine (I) 4,80,000			Machine (I) 60,000	
	Machine (II) 3,20,667			Machine (II) 37,000	
	Machine (III) <u>7,84,000</u>	15,84,667		Machine (III) <u>84,000</u>	1,81,000
			31-12-2016	By Balance c/d	
				Machine (I) 4,20,000	
				Machine (II) 2,83,667	
				Machine (III) <u>7,00,000</u>	14,03,667
		15,84,667			15,84,667
01-01-2017	To Balance b/d		31-12-2017	By Depreciation A/c	
	Machine (I) 4,20,000			Machine (I) 60,000	
	Machine (II) 2,83,667			Machine (II) 37,000	
	Machine (III) <u>7,00,000</u>	14,03,667		Machine (III) <u>84,000</u>	1,81,000
			31-12-2017	By Balance c/d	
				Machine (I) 3,60,000	
				Machine (II) 2,46,667	
				Machine (III) <u>6,16,000</u>	12,22,667
		14,03,667			14,03,667



DEPRECIATION ACCOUNT

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
31-12-2014	To Machinery A/c	72,333	31-12-2014	By Profit & Loss A/c	72,333
		72,333			72,333
31-12-2015	To Machinery A/c	1,53,000	31-12-2015	By Profit & Loss A/c	1,53,000
		1,53,000			1,53,000
31-12-2016	To Machinery A/c	1,81,000	31-12-2016	By Profit & Loss A/c	1,81,000
		1,81,000			1,81,000
31-12-2017	To Machinery A/c	1,81,000	31-12-2017	By Profit & Loss A/c	1,81,000
		1,81,000			1,81,000



Answer (b)

MACHINERY ACCOUNT

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
01-01-2014	To Bank A/c Machine (I) (5,50,000 + 50,000)	6,00,000	31-12-2014	By Balance c/d Machine (I) 6,00,000 Machine (II) <u>3,70,000</u>	9,70,000
01-09-2014	To Bank A/c	3,70,000			
		9,70,000			9,70,000
01-01-2015	To Balance b/d Machine (I) 6,00,000 Machine (II) <u>3,70,000</u>	9,70,000	31-12-2015	By Balance c/d Machine (I) 6,00,000 Machine (II) 3,70,000 Machine (II) <u>8,40,000</u>	18,10,000
01-05-2015	To Bank A/c Machine (III)	8,40,000			
		18,10,000			18,10,000
01-01-2016	To Balance b/d Machine (I) 6,00,000 Machine (II) 3,70,000 Machine (II) <u>8,40,000</u>	18,10,000	31-12-2016	By Balance c/d Machine (I) 6,00,000 Machine (II) 3,70,000 Machine (II) <u>8,40,000</u>	18,10,000
		18,10,000			18,10,000



Dr.

Cr.

Date	Particulars	Rs.	Date	Particulars	Rs.
01-01-2017	To Balance b/d		31-12-2017	By Balance c/d	
	Machine (I) 6,00,000			Machine (I) 6,00,000	
	Machine (II) 3,70,000			Machine (II) 3,70,000	
	Machine (III) 8,40,000	18,10,000		Machine (III) 8,40,000	18,10,000
		18,10,000			18,10,000





PROVISION FOR DEPRECIATION ACCOUNT

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
31-12-2014	To Balance c/d	72,333	31-12-2014	By Depreciation A/c	72,333
		72,333			72,333
31-12-2015	To Balance c/d	2,25,333	01-01-2015	By Balance b/d	72,333
		2,25,333	31-12-2015	Depreciation A/c	1,53,000
		2,25,333			2,25,333
31-12-2016	To Balance c/d	4,06,333	01-01-2016	By Balance b/d	2,25,333
		4,06,333	31-12-2016	Depreciation A/c	1,81,000
		4,06,333			4,06,333
31-12-2017	To Balance c/d	5,87,333	01-01-2017	By Balance b/d	4,06,333
		5,87,333	31-12-2017	Depreciation A/c	1,81,000
		5,87,333			5,87,333