



Solution

BUS ACCOUNT

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
01-01-2011	To Bank A/c	30,00,000	31-12-2011	By Depreciation A/c (@15%)	4,50,000
			31-12-2011	By Balance c/d	25,50,000
		30,00,000			30,00,000
01-01-2012	To Balance b/d	25,50,000	31-12-2012	By Depreciation A/c (@15% on 25,50,000)	3,82,500
			31-12-2012	By Balance c/d	21,67,500
		25,50,000			25,50,000
01-01-2013	To Balance b/d	21,67,500	01-07-2013	By Depreciation A/c (6 months)	54,188
01-07-2013	To Profit & Loss A/c (Profit)	31,688	01-07-2013	By Bank A/c (Insurance Claim)	7,00,000
			31-12-2013	By Depreciation A/c	2,16,750
			31-12-2013	By Balance c/d	12,28,250
		21,99,188			21,99,188



Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
01-01-2014	To Balance b/d	12,28,250	31-12-2014	By Depreciation A/c (@15%)	1,84,237
			31-12-2014	By Balance c/d	10,44,013
		12,28,250			12,28,250

Working Notes:

$$\text{Cost of Accidental Bus on 01-01-2013} = \frac{21,67,500}{3} = \text{Rs. } 7,22,500$$

$$\begin{aligned} \text{Depreciation on Accidental Bus on 01-07-2013} &= 7,22,500 @ 15\% \text{ for 6 months} \\ &= \text{Rs. } 54,188 \end{aligned}$$

$$\text{Value of Bus as on 01-07-2013} = 7,22,500 - 54,188 = \text{Rs. } 6,68,312$$

$$\text{Profit on Accidental Bus} = 7,00,000 - 6,68,312 = \text{Rs. } 31,688$$

$$\text{Depreciation on Rest Two Busses} = (21,67,500 - 7,22,500) = \text{Rs. } 14,45,000$$

$$\text{Depreciation} = 14,45,000 @ 15\% = \text{Rs. } 2,16,750$$