



Solution

**M/S STRAEX  
MACHINERY ACCOUNT**

Date	Particulars	LF	Debit Amount	Date	Particulars	LF	Credit Amount
01-04-2021	To Bank A/c		4,50,000	31-03-2022	By Depreciation A/c		40,000
				31-03-2022	By Balance c/d		4,10,000
			<b>4,50,000</b>				<b>4,50,000</b>
01-04-2022	To Balance b/d		4,10,000	31-03-2023	By Depreciation A/c		40,000
				31-03-2023	By Balance c/d		3,70,000
			<b>4,10,000</b>				<b>4,10,000</b>
01-04-2023	To Balance b/d		3,70,000	31-03-2024	By Depreciation A/c		40,000
				31-03-2024	By Balance c/d		3,30,000
			<b>3,70,000</b>				<b>3,70,000</b>
01-04-2024	To Balance b/d		3,30,000				



**Working Notes**

$$\text{Amount of Annual Depreciation} = \frac{\text{Total Cost of Asset} - \text{Estimated Scrap Value}}{\text{Estimated Useful Life of Asset in Years}}$$

$$\text{Amount of Annual Depreciation} = \frac{4,50,000 - 50,000}{10} = \frac{4,00,000}{10} = 40,000$$

