



Solution

**PARAS BROS.**  
**Machinery A/c**

Date	Particulars	LF	Debit Amount	Date	Particulars	LF	Credit Amount
01-04-2022	To Balance b/d		80,000	31-01-2023	By Provision for Depreciation A/c (Refer WN)		6,400
				31-01-2023	By Bank A/c		8,700
				31-01-2023	By Loss on sale of Machinery A/c (Refer WN)		900
				31-03-2024	By Balance c/d		64,000
			<b>80,000</b>				<b>80,000</b>



**Provision for Depreciation A/c**

<b>Date</b>	<b>Particulars</b>	<b>LF</b>	<b>Debit Amount</b>	<b>Date</b>	<b>Particulars</b>	<b>LF</b>	<b>Credit Amount</b>
01-10-2023	To Machinery A/c (Refer WN)		6,400	01-04-2023	By Balance b/d		36,000
31-03-2024	To Balance c/d		36,000	31-03-2024	By Depreciation A/c (64,000X10%)		6,400
			<b>42,400</b>				<b>42,400</b>





**Working Notes**

Loss on Sale of Machinery

Cost of Machine

16,000

Accumulated Depreciation

Apr18 to Mar22 = 4 years

(16,000X10%X4)

6,400

Net Value

**9,600**

Sales consideration

8,700

Loss on Sale of Machinery

**900**

