



Solution

**Machinery A/c**

Date	Particulars	LF	Debit Amount	Date	Particulars	LF	Credit Amount
01-04-2023	To Balance b/d		60,000	01-04-2023	By Machinery Disposal A/c		16,000
				31-03-2024	By Balance c/d		44,000
			<b>60,000</b>				<b>60,000</b>

**Provision for Depreciation A/c**

Date	Particulars	LF	Debit Amount	Date	Particulars	LF	Credit Amount
01-04-2023	To Machinery Disposal A/c (Refer WN)		6,400	01-04-2023	By Balance b/d		36,000
31-03-2024	To Balance c/d		34,000	31-03-2024	By Depreciation A/c (44,000X10%)		4,400
			<b>40,400</b>				<b>40,400</b>



**Machinery Disposal 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>
01-04-2023	To Machinery A/c (Refer WN)		16,000	01-04-2023	By Provision for Depreciation A/c (Refer WN)		6,400
				01-04-2023	By Bank A/c		8,400
				01-04-2023	By Loss on sale of Machinery A/c (Refer WN)		1,200
			<b>16,000</b>				<b>16,000</b>





**Working Notes**

Loss on Sale of Machinery

Cost of Machine

16,000

Accumulated Depreciation

Apr19 to Mar23 = 4 years

(16,000 X 10% X 4)

6,400

Net Value

**9,600**

Sales consideration

8,400

Loss on Sale of Machinery

**1,200**

