

Question 1 A Firm purchased machinery on 1st July 2021 for Rs.114000 and paid cartage of Rs. 4000 and spent Rs 2000 on its installation. The useful life of the machinery has been estimated at 10 years. After the expiry of the useful life the scrap is expected to realise Rs. 20000. Prepare machinery accounts by charging depreciation by fixed installment method for 3 years when books are closed on 31st March every year.

Question 2 Hari Om Limited purchased a machine on 1st July 2021 for Rs. 20000 . The firm Sold His machinery on 1st January 2024 for Rs. 19000.The firm charges depreciation @ 10% per annum on straight line method. prepare a machinery account assuming the firm follows a financial year. also, pass the journal entries of purchase and sale of machinery

Question 3 star Limited purchased machinery for Rs. 40000. The depreciation is charged @ 10% per annum as per straight line method. calculate gain (profit) or loss on sale of machinery in each of the following alternative Cases :

Case 1 if machinery is purchase on 1 October, 2022 and sold for Rs. 30000 on 1st July 2024

Case 2 if machinery is purchase on 1st January 2022 and sold for Rs 34000 on 31st December 2023

Case 3 if machinery is purchase on 1st July 2022 and sold for Rs. 27000 on 1st January 2024

Case 4 if machinery is purchase on 1st January 2021 and sold for Rs. 31000 on 30 June 2023

Question 4 Mercury Limited purchased machinery on 1st August 2021 for Rs. 90000. On 1st April 2022 it purchased another machinery for Rs. 20000. On 30th June 2023 it sold off the 1st machinery purchase in 2021 for Rs. 68500 and on the same date , it purchased a new machine for Rs. 60000. depreciation is provided at 10% per annum on original costs each year. accounts are closed each year on 31st March. show the machinery account for 3 years

Question 5 on 1st April 2021 Z Limited purchase machinery for Rs. 120000 and on 30th September 2022 it required additional machinery for Rs 20000 . On 30 June 2023 a new machinery was purchased for Rs. 8000. On 30 November 2023 one of the original machinery (purchased on 1 April 2021) which had cost Rs. 5000 was found to have become obsolete and was sold as scrap for Rs. 500 . Depreciation is to be charged@10% per annum on written down value. Accounts are closed on 31st March each year. show machinery account for the 1st 3 Years

Question 6 Star Limited purchased 10 trucks at Rs. 540000 each on 1st July 2021 . On 1st January 2024 one of the trucks was involved in an accident and was completely destroyed. A sum of Rs. 324000 is received from the insurance company in full settlement. On the same date another truck was purchased by the company for some Rs. 6 lakh. The company writes of

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depreciation @ 20% per annum on original cost and closes its books every year on 31st March.
Give the truck account for 3 year ending 31st March 2024

Question 7 X Limited purchase on 1st January 2022 a machine for Rs. 200000. On 1st October 2023 the machinery became obsolete and was sold for Rs. 100000 . Depreciation is provided at 10% per annum on original cost method . Prepare necessary ledger accounts and show them in the balance sheet as a 31st March 2022 and 31st March 2023 assuming that:

- (i) Provision for Depreciation account is not maintain
- (ii) Provision for depreciation account is maintain

Question 8 M/s Mercury traders purchase a machine for Rs. 40000 on 1st October 2021. The firm purchase another machinery for Rs. 60000 on 1st January 2023 The firm sold the 1st machinery at a profit of Rs. 3000 on 1st January 2024. The depreciation is charged at the rate 10% per annum on written down value method. Prepare machinery account and provision for depreciation account for 3 years ending 31st March 2024

Question 9 A company has the following balances on 1st April 2023

Machinery account	Rs. 250000
Provision for depreciation account	Rs. 120000

On the 1st April 2023 a part of machinery bought for Rs. 100000 on 1st April 2020 was sold at a profit of 20% and new machinery was purchased for Rs. 200000 on the same date. depreciation is provided at 10% per annum on straight line method and accounts are closed on 31st March each year prepare machinery account and provision for depreciation account for the year 2023-24

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Question 10 M/s Origami traders purchase a machinery for Rs 2 lakh on 1st October 2021 the form sold this machinery on 1st January 2024 for Rs. 140000 deposition is charged at the rate 10% per annum as per straight line method prepare machinery account provision for deposition account and machine disposal account for 3 years ending 31st March 2024