

Inter. (Pat) 728550  
TO Creditor, 728550

Mr. Jai

Pur. Building

Consideration  $\Rightarrow$  Machine  
Cash 2L

BV  
12 lacs.

Build FV = 18 lac.

Building a/c Dr. 18

TO Machine 12  
TO Ex. Loss (Pat) 4  
TO Cash 2

Jai: → Car (Black Car) BV 2 lakhs.

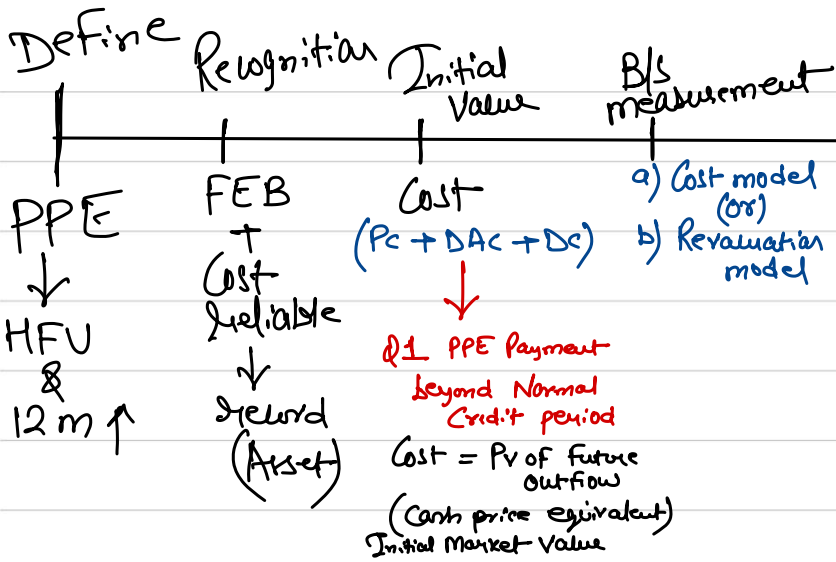
Exchange

White Car Pay 50,000

Wh. Car Dr. (B/F)

To B. Car	2
To Cash	0.5

V'Smart Academy



Q2 Exchange Transaction  
Cost = ?

Cost  $\Rightarrow$  Fv OF Asset given (I<sup>st</sup> priority)  
(or)

Fv OF Asset acquired (II<sup>nd</sup> priority)  
(or)

CA OF Asset given (if Both Fv  
are not available)

1,00,00,000

Build 75 lac. Fv  
Mach. 30 lac Fv  
Furn. 10 lac Fv

Q3 Multiple PPE at Single price

Cost of Each PPE :- in Ratio  
of Fv of each PPE

Q4 PPE (Free of Cost) Govt. Grant

Cost = 1/- or 10/-  
as per AS 12  
(Nominal value)

V'Smart Academy

Building a/c Dr. 60

To Machine 45  
To Bank 10  
To Gain on Exch. 5 (P&L)

Q5

Entity A → given → Car X BV 1300000

→ received Car y  
↑  
Cash 15000

Car y a/c Dr. 1285000

Cash a/c Dr. 15000

To Car X 1300000

Cost at Initial Recog = 1000000

1st Dep 10% = (100000)

FV 980000

900000

(+) Upward Revaluat 80000 gain

B/s date 980000 (FV)

Asset Dr.  
To RR

directly in R&S

2nd yr. Dep 10%

98000 (P&L)

FV = 820000

882000

Downward Revaluation

(62000) Loss

B/s = 820000

RR 62000  
To Asset 62000

III<sup>rd</sup> year Dep 10%

(82000)

FV = 700000

738000

Downward Rev.

(38000) Loss

700000 B/s

RR 18  
P&L 20

To Asset 38

IV Dep 10%.

70000

Fv 690000

630000

60000

Upward Rev.  
Gain

690000 B/S

Asset 60000

To P&L 20000

To RR 40000

V Dep 10%.

(69000)

621000

Asset Sold 635000

① Bank 635000

To Asset 621000

To Gain (P&L) 14000

② RR 40000

To GR 40000

1<sup>st</sup> upward 5000 → RR 5000

2<sup>nd</sup> downward 3000 → RR Dr. 3000

RR 2000

3<sup>rd</sup> upward 1500 → RR 3500

4<sup>th</sup> downward 4000 → RR 0

Pr 5000

5<sup>th</sup> downward 2000 → Pr 20000

Total 25000  
Pr

6<sup>th</sup> upward 6000 → Pr 25000

→ RR 35000 Cr. Bal.