



INDIAN SCHOOL DARSAIT
DEPARTMENT OF COMMERCE



Sub.: Accountancy	DEPRECIATION	Date of Worksheet:17/10/2017
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Class and Div. XI C & D		Roll Number:

I. WDV METHOD

1. On 1st Jan 2002, Ajay Limited purchased Machinery worth Rs.9,00,000. Additions are made on 1st April 2002 and 1st Jan. 2003 respectively Rs.3,00,000 and Rs.2,00,000. On 30th Sep. 2004, company sold the first Machinery purchased on 1st Jan. 2002 for Rs.5,60,000 and installed another Machinery on the same day at a cost of Rs.8,00,000. The company provided depreciation @10% p.a under Reducing Balance method and accounts were closed on 31st December every year. Prepare necessary ledger accounts for the first four years When depreciation is credited to Machinery account.
2. On 1st Jan 2003, Bisma Limited purchased Plant and Machinery worth Rs.90,000. Additions are made on 1st April 2003, 1st April 2004 and 1st October 2004 respectively Rs.80,000, 60,000 and Rs.30,000. On 30th June 2005, company sold Part of the first Machinery Costing Rs.40,000 purchased on 1st Jan 2003 for Rs.17,000 and Installed another Machinery on the same day at a cost of Rs.70,000. On 31st March 2006, company sold the second Machinery purchased on 1st April 2003 at a loss of Rs. 10,000. The company provided depreciation @10% p.a under Diminishing balance method and accounts were closed on 31st December every year. Prepare necessary ledger accounts for the first four years When Depreciation is credited to Provision for depreciation account.
3. On 1st July 2002, Kajal Limited purchased Plant and Machinery worth Rs.9,00,000. Additions are made on 1st January 2003 and 1st July 2003 respectively Rs.3,00,000 and Rs.5,00,000. On 30th Sep 2004, company sold Part of the Second Machinery Costing Rs.1,00,000 purchased on 1st Jan 2003 for Rs.66,000 and Installed another Machinery on the same day at a cost of Rs1,20,000. On 30th June 2005, company sold

the first Machinery purchased on 1st July 2002 at a Profit of Rs. 50,000. The company provided depreciation @10% p.a under diminishing balance method and accounts were closed on 31st March every year. Prepare Plant and Machinery Account and Provision for depreciation account for the first four years and Machinery disposal account.

4. On 1st July 2002, Aijaz Limited purchased Machinery worth Rs.6,00,000. Additions are made on 1st Oct. 2002 and 1st Jan. 2003 respectively Rs.3,00,000 and Rs.2,00,000. On 31st March 2004, company sold the first Machinery purchased on 1st July 2002 for Rs.3,30,000 The company provided depreciation @10% p.a under Written down value method and accounts were closed on 31st December every year. Prepare necessary ledger accounts for the first four years.
5. Following balances appear in the books of Hitachi Ltd.

Jan 1 2005	Plant and Machinery A/c(Cost)	Rs.15,00,000
	Provision for depreciation A/c	Rs. 6,00,000

On 30th Sep. 2005, they decided to sell a machine for Rs.99,000. This Machine was purchased on 1st April 2001 for Rs.2,20,000.You are required to prepare Plant & Machinery account and Provision for depreciation account for the year ending 31st December 2005, assuming the firm has been charging depreciation @10%p.a on Diminishing balance method.

6. Following balances appear in the books of Nokia Ltd.

Jan 1 2005	Plant and Machinery A/c (Book Value)	Rs. 7,20,000
	Provision for depreciation A/c	Rs. 2,80,000

On 30th June 2005, they sold Machinery Costing Rs.2,80,000 for Rs.1,10,000 . This Machine was purchased on 1st April 2001.You are required to prepare Plant & Machinery account and Provision for depreciation account for the year ending 31st December 2005, assuming the firm has been charging depreciation @10%p.a on Diminishing balance method.
