PA ASSIGNMENT WEEK 10

1. A van costing Rs.48000 is purchased for business use on 1 January 2018. It is depreciated using the reducing balance method at a rate of 25%. Prepare the provision for depreciation account for the van for the first three years of its life. (The business year ends on 31 December).
2. Explain the methods of depreciation
3. A machine is purchased for Rs.80000. It is expected to last five years and has no residual value. It is depreciated using the straight line method. Calculate the depreciation each year. Prepare the ledger account for depreciation on the equipment for the five years.