**The City School
North Nazimabad Boys Campus**

**Accounts Work Sheet**

**Class: 10-T**

**Teacher: Fazal Ur Rahman**

**Topic: Depreciation**

**Week: October 10-14, 2016**

Q#1 Depreciation is

1. The amount spend to buy a fixed asset
2. The salvage value of a fixed asset
3. The part of the cost of fixed asset consumed during the period of use by the firm.
4. The amount of money in replacing asset

Q#2 A firm bought a machine for $ 3200, it is to be depreciated using reducing balance method. What would be the remaining book value after 2 years? (Show calculation)

1. $ 1600
2. $ 2400
3. $ 1800
4. some other figure

Q#3 A firm bought a machine for $ 16000. It is expected to be used for 5 years then sold for $ 1000. What is the annual amount of depreciation if the straight line method is used? (Show calculation)

1. $ 3200
2. $ 3100
3. $ 3750
4. $ 3000

Q#4 In the trial balance the Provision for Depreciation account is shown

1. Shown as a credit item
2. Not shown as it is part of depreciation
3. Shown as a debit item
4. Sometimes shown as debit, sometimes shown as credit

Q# 5

If a machine is bought for $ 10000 and depreciation is to be charged at 20%.

1. Show the calculation of depreciation for the first three years.
2. What is the total depreciation for the three year
3. What is the book value at the end of third year after taking depreciation into account