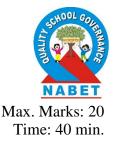


*(i)* 

## INDIAN SCHOOL DARSAIT CLASS TEST 12, OCTOBER 2018 ACCOUNTANCY (055)



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## Class: XI Date: 23-10-2018 *General Instructions:*

All questions are compulsory.

- 1 Define depreciation. 1 2 1 What is meant by residual value or scrap value of a fixed asset? 3 Which method of depreciation assumes that an asset should be depreciated more in the earlier 1 years and less in the later years of use? What is the importance of the words 'per annum' for charging depreciation on fixed assets? 4 1 5 You are given the following balances on 1<sup>st</sup> April 2015. Machinery A/c ₹4,00,000 Provision for depreciation A/c ₹1,00,000 Depreciation is charged on machinery at 20 % p.a. by Written Down Value method. A 8 piece of machinery purchased on 1<sup>st</sup> April 2013 for ₹ 1,00,000 was sold on 1<sup>st</sup> October 2015, for ₹ 50,000. Prepare Machinery Account, Provision for Depreciation Account and Machinery Disposal Account.
- A van was purchased on 1<sup>st</sup> April 2015 for ₹ 1,20,000 ₹ 10,000 was spent on its repairs and registration. On 1<sup>st</sup> October 2016, another van was purchased for ₹ 1,40,000. On 1<sup>st</sup> April 2017 the first van which was purchased on 1<sup>st</sup> April 2015 was sold for ₹ 90,000 and a new van costing ₹ 3,40,000 was purchased on the same date. Depreciation is provided at 10% p.a. on the basis of Straight Line Method. The books are closed on 31<sup>st</sup> March every year.

Show the Van Account and Provision for Depreciation Account from 2015-16 to 2017-18, and Van Disposal Account on the date of sale of the van.