

Model Question Paper
Depreciation incomplete records - single entry - Part I

12th Standard

Accountancy

Reg.No. :

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- I. Answer all the questions.
- II. Use Blue pen only.
- III. Question No 19 is compulsory.

Time : 02:00:00 Hrs

Total Marks : 180

Section-A

5 x 1 = 5

- 1) All assets whose benefit is derived for a _____ period of time are called as Fixed Assets.
- 2) The estimated sale value of the asset at the end of its economic life is called as _____ value.
- 3) _____ method of depreciation is calculated on the original cost of assets.
- 4) Under _____ method, depreciation is calculated on the book value of the asset each year.
- 5) _____ method of depreciation is used in the case of Lease.

Section-B

5 x 5 = 25

- 6) Define Depreciation.
- 7) What is Fixed Asset?
- 8) What is residual value?
- 9) What is obsolescence?
- 10) Write notes on 'Effluxion of time'.

Section-C

5 x 12 = 60

- 11) What are the reasons for providing depreciation?
- 12) What are the causes of depreciation?
- 13) What are merits and demerits of straight line method of depreciation?
- 14) What are merits and demerits of written down value method?
- 15) What are the factors determining the amount of depreciation?

Section-D

4 x 20 = 80

- 16) Sudha & Co., purchased a Machinery for Rs.64,000 on 1st April 1996. They spent Rs.28,000 on the repairs and installed the same. Depreciation is written off at 10% p.a. on the Straight Line Method. On 30th June, 1998 the machinery was found to be unsuitable and sold for Rs.52,000. Assume that the accounts are closed on 31st December every year. Pass the journal entries and prepare Machinery account and Depreciation account for three years.
- 17) Sunil & Co. purchased a fixed asset on 1.4.2002 for Rs.5,00,000. Depreciation is to be provided at the rate of 15% annually according to the Straight Line Method. The books are closed on 31st March every year. Pass the necessary journal entries, prepare Fixed asset account and Depreciation account for the first three years.
- 18) M/s. Shankar & Co. purchased a Machinery on 1.1.2002 for Rs.10,00,000. The firm writes off depreciation at 10% on the original cost every year. The books are closed on 31st March every year.
Pass the necessary journal entries, prepare Machinery account and Depreciation account for the first three years.
- 19) a) Ganesh & Co. purchased a Machinery worth Rs.3,00,000 on 1st October 2000. They spent Rs.20,000 on its erection. The firm writes off depreciation at the rate of 10% on the original cost every year. The books are closed on 31st March of every year. Prepare Machinery account and Depreciation account for three years.

(OR)

- b) Gayathri Garments purchased a Plant on 1.4.2000 for Rs.2,40,000. After three years the plant was sold for Rs.1,50,000. The firm charges depreciation at the rate of 10% per annum on straight line method. Accounts are closed on 31st March every year. Pass Journal entries, prepare Plant account and Depreciation account.
