الاجابـه النموذجيه السعي الثاني \الفصل الثاتيادراسات مسائيه
(a) Using SYD, 2016 Depreciation is
$\$ 20800$
(\$159000-
16000=143,000 X 8/55)

## Machine B-Computation of the cost

(b)Asset has been depreciated for 2 1/2 years using the straight-line method.

Annual depreciation is then equal to $\mathbf{\$ 2 9 , 0 0 0}$ divided by 2 1/2 or \$11,600.
\$29000 of Accumulated depreciation *2
=\$58000(Accumulated depreciation for 5 years
Cost is \$79,000 [\$58000+ \$21,000].
(c) Using SL, 2016 Depreciation is $\mathbf{\$ 1 1 , 6 0 0 .}$

Machine C-Using the double-declining-balance method of depreciation

| 2012's depreciation is (d) | $\$ 11,000$ | $(\$ 88,000 \times .25$ X .5) |
| :--- | :--- | :--- |
| 2013's depreciation is | $\$ 19,250$ | $(\$ 88,000-\$ 11,000)$ X .25 |
| 2014's depreciation is | $\$ 14,438$ | $(\$ 88,000-\$ 30,250)$ X .25 |
| 2015's depreciation is | $\$ 10,828$ | $(\$ 88,000-\$ 44,688)$ X .25 |
| Accumulated Depreciation <br> at 12/31/15 | $\underline{\$ 55,516}$ |  |

(e) Using DDB, 2016 Depreciation is $\$ 3,984$, which results in the carrying value of the machine equal to the residual value.

Machine D—Computation of Year Purchased

| (f)First Half Year using SYD $=$ | $\$ 25,000$ | $[(\$ 219,000-\$ 69,000) X$ <br> $5 / 15 X .5]$ |
| ---: | :--- | :--- |
| Second Year using SYD $=$ | $\underline{\$ 40,000}$ | $(\$ 150,000 \times 4 / 15)$ |
|  | $\underline{\$ 65,000}$ |  |

Thus the asset must have been purchased on July 5, 2014
(g) Using SYD, 2016 Depreciation
\$30,000
(\$150,000 X 3/15)
is
Q2// January 5 Stock investment 34,000 Cash
34,000

June 30 Cash 2450
Dividends Revenue 2450
$300 * \$ 2=\$ 600+500 * \$ 1=\$ 500+600 * \$ 2.25=\$ 1350$
November 15 Cash 4000
Stock investment 3300
Gain on sale of investment 700
December 31 unrealized loss-Equity 3700
Market adjustment-AFS 3700
Investment Portfolio

| Securities | Shares | Cost | Fair value |
| :---: | :---: | :---: | :---: |
| Nance Corporation | 300 | $\$ 4,200$ | $\$ 3,000$ |
| Wood Corporation | 500 | 10,000 | 8,000 |
| King Corporation | 500 | 16,500 | 16,000 |
| Total |  | $\$ 30,700$ | $\$ 27,000$ |

