الاجابه النموذجيه السعي الثاني \ الفصل الثاني \در اسات 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 \$29,000 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 \$11,600.

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

2012's depreciation is (d)	\$11,000	(\$88,000 X .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	<u>\$10,828</u>	(\$88,000 – \$44,688) X .25
Accumulated Depreciation		
at 12/31/15	<u>\$55,516</u>	

(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 5/15 X .5]
Second Year using SYD =	<u>\$40,000</u>	(\$150,000 X 4/15)
	<u>\$65,000</u>	

Thus the asset must have been purchased on July 5, 2014

(g) Using SYD, 20 ⁻	16 Depreciation i	<u>\$30,000</u> s	(\$150,000 X 3/15)
Q2// January 5	Stock investment	t 34,000	0
	Cash	1	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	ט
		Gain on sale of investment 700		
December 31	un	realized loss-Equity	3700	
		Market adjustmer	nt-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