Depreciation Workings – Practice Worksheet

Mr. Regan
5th Year Accounting

Name:___________________

4 Figures to find:
1. Cost
2. Accumulated Depreciation
3. Depreciation this year
4. Profit/Loss on Disposal

Q1: 2021 Working

Trial Balance:

	Dr	CR
Delivery vans (cost €380,000)	310,000	

Working:

(iii) Provide for depreciation on delivery vans at the annual rate of 20% of cost from the date of purchase to the date of sale.

Note: On 31/03/2020 a delivery van which had cost €42,000 on 30/09/2016 was traded in against a new van which cost €67,000. An allowance of €11,000 was given on the old van.

Answer:

Q2: 2020 Working

Trial Balance:

	Dr	CR
Delivery vans (cost €250,000)	186,000	

Working:

(iii) Provide for depreciation on delivery vans at the annual rate of 20% per annum on cost from the date of purchase to the date of sale.
NOTE: on 31/03/2019 a delivery van which had cost €48,000 on 31/10/2016 was traded in against a new van which cost €64,000. An allowance of €26,000 was given on the old van.

Answer:

Q3: 2019 Working

		Dr	CR
Trial Balance:	Delivery vans (cost €155,000)	120,000	

Working: iii) The cost of delivery vans is to be written off on a straight line basis over 5 years. A full year's depreciation is to be charged in the year of acquisition and none in the year of disposal. Delivery vans have a 5% scrap value of the original cost.

Answer: **NOTE**: During the year a delivery van which had cost €25,000 in 2016 was traded in for €14,000 against a new delivery van costing €40,000.