



Department of Education, Sabaragamuwa/weekly school

week- June 3

Subject-Accounting

Grade-13

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Competency 11.0 – Uses Sri Lanka Accounting Standards for the preparation and presentation of financial statements.

Competency Level 11.5- Defining basic concepts and accounting for property, plant and equipment.

04. As at 01.04.2016, value of machinery at Vimukthi PLS is Rs. 1 200 000. As at that date, balance of the accumulated for depreciation account is Rs. 400 000.
- According to first time revaluation as at 01.04.2016, value of machineries is Rs. 950 000. Show the relevant journal entries?
  - If these machineries are revalued for Rs. 750 000 for the first time as at 01.04.2016. Write the relevant journal entries
  - If these machineries were revalued on 01.04.2015 and a deficit of Rs. 500 000 was received and again revalue on 01.04.2016 for a value of Rs. 950 000. Write the relevant journal entries.
  - If the revalued amount as at 01.04.2016 is Rs. 750 000 and by the revaluation done as at 01.04.2015 received a surplus of Rs. 50 000. Write the relevant journal entries.
05. As at 01.04.2015, Ruwan PLC purchased a motor vehicle for a value of Rs. 2 700 000. Useful life time is 5 years (Depreciation rate s 20%) and residual value is Rs. 200 000.
- Calculate the annual depreciation based on straight line method for the years ending 2015/2016 and 2016/2017
  - Prepare the relevant journal entries and ledger accounts for the two years.
  - As at 01.04.2016, Nethumi PLC purchased a machinery for a value of Rs. 1 500 000 and it is revalued annually at 20% on reducing balance method. Calculate the depreciation for the following years.
- | Year 2016 | 2017 | 2018 |
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