

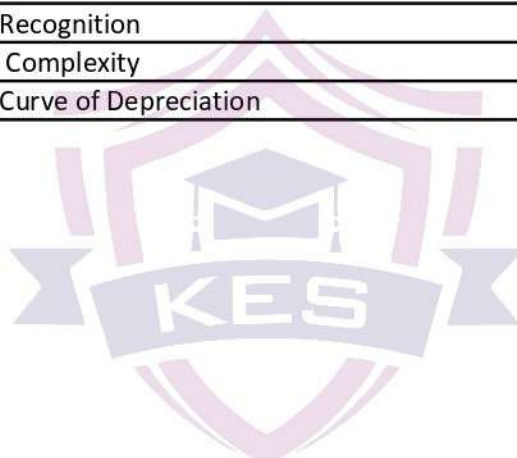
CHAPTER- DEPRECIATION

		CTSE	Self Evaluation Grades			
Sr.No.	Topic	Sub-Topic	Date			
1	Depreciation	(i) Meaning				
		(ii) Definition				
		(iii) Features of Depreciation				
		-Permanent Nature				
		-Non-cash Expense				
		-Functional				
		-Allocation of Cost				
		-Efficient Management				
2	Causes of Depreciation	(i) Wear and Tear				
		(ii) Decay				
		(iii) Destruction				
		(iv) Obsolescence				
		(v) Depletion				
		(vi) Inadequacy				
		(vii) Effusion of Times				
3	Need for Charging Depreciation	(i) For true profit or loss				
		(ii) Presenting fair value of balance sheet				
		(iii) To provide funds for replacement of assets				
		(iv) True cost of Production				
		(v) Avoid overpayment of Tax income				
4	Factors affecting Depreciation	(i) Total Cost of Assets				
		(ii) Estimated useful life of assets				
		(iii) Estimated scrap value				
		(iv) Addition to assets				
		(v) Chances to obsolescence				
		(vi) Legal Provision				
5	Difference between Depreciation, Depletion obsolescence and Amortisation	(i) Basis of difference (Nature of assets)				



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Sr.No.	Topic	Sub-Topic	Date			
6	Methods of Providing Depreciation	(i) Straight line Method				
		(a) Introduction				
		(b) Merits				
		-Simple				
		-Consistency				
		-Equality				
		-Assets is completely written off				
		-Fixed life of assets				
		(c) Demerits				
		-Improper Presentation				
		-Omission of Factor				
		-Illogical				
		-Difficult to assess scrap value				
		-Unsuitable				
		(ii) Written Down Value				
		(a) Introduction				
		(b) Merits				
		-Logical				
		-Easy to Calculate				
		-Equal Burden				
		-Approved by Income Tax				
		(c) Demerits				
		-Omission of Factor				
		-Difficult to assess scrap value				
-Higher rate of Depreciation						
-Unequal burden						
(iii) Annuity Method						
(iv) Sum of year digit method						
(v) Sinking Fund Method						
(vi) Insurance Policy Method						
7	Difference between Straight line method and Diminishing balance method	(i) Meaning				
		(ii) Calculation of depreciation				
		(iii) Depreciation charge				
		(iv) Suitable for				
		(v) Recognition				
		(vi) Complexity				
		(v) Curve of Depreciation				



CHAPTER- DEPRECIATION

		GTSE	Self Evaluation Grades			
Sr.No.	Topic	Sub-Topic [®]	Date			
8	Asset disposal Account	(i) When provision for depreciation account is not maintained				
		(i) When provision for depreciation account is maintained				
		Signature of Student				
		Signature of Mentor/Teacher				
Key To Grades			This self Evaluation sheet has four date columns. Student shall fill grades to all topics in one date column in a sitting. By the fourth attempts, all grades should be 'A' for getting best marks in exams.			
Write 'A' if you know the concept fully (when you know 100%)						
Write 'B' if you need revision once (when you know between 75%-100%)						
Write 'C' if you know the concept partially (when you know about 50%)						
Write 'D' if you know the concept very little (when you know about 25%)						
Write 'E' if you don't know the concept at all (when you know 0%)						



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