

2021 YEAR 13 AGRICULTURAL SCIENCE WORKSHEET 5

Answer these questions at the back of your book.

FY13CE 2018

A farmer purchased a tractor which had useful life of 10 years for \$75,000.00.

The residual value is \$5,000.00 and the rate of depreciation is 10%.

Using the **Reducing Balance Method** calculate the depreciation for the tractor for the **2nd year** and the **3rd year**.

| | Net value \$ | Residual value \$ | Rate % | Depreciation \$ |
|--------|-----------------|----------------------|-----------|--------------------|
| Year 1 | 75,000.00 | 5,000.00 | 10 | 7,000.00 |
| Year 2 | 68,000.00 | 5,000.00 | 10 | (i) |
| Year 3 | (ii) | 5,000.00 | 10 | (iii) |

(3 marks)

FY13CE 2019

A farmer who owns **five** hectares of land, practices mixed cropping. The fixed cost is \$2500.00. The farm's income and expenditure are given in the table below.

| Type of crop/ha | Expenses \$ | Yield Kg/ha | Cost/kg \$ |
|-----------------|----------------|----------------|---------------|
| Pumpkin | 1000 | 1000 kg | 4.00 |
| Eggplants | 1500 | 1500 kg | 2.00 |
| Cucumber | 1200 | 1000 kg | 2.00 |
| Maize | 1100 | 3000 kg | 2.50 |
| Kumala | 1400 | 1000kg | 2.00 |

Calculate the profit or loss of the farm.

(3 marks)

YR13 Activity Question

Q3. A farmer purchased a tractor for \$30,000 with a lifespan of 15 years and salvage value of \$100. Calculate the depreciation value using straight line method.

(3 marks)