

Module Name	Financial Accounting
Module Code	BA4801
Assignment Type	Online 24-hour test 1
Type of Submission	Turnitin submission
Weighting of the assignment in the overall module grade	25% of coursework grade; 10% of module grade
Issue Date	9.30am Wednesday 25 November 2020
Submission Date	9.30am Thursday 26 November 2020
Date of Feedback to Students	10am Thursday 7 January 2021
Where feedback can be found	Canvas

Assignment Task

Required: (EXPRESS ALL FIGURES TO THE NEAREST £)

Using the Rough Diamonds information overleaf

1. Provide for each of the two disposed pieces of plant & machinery: a) the accumulated depreciation as at 31/12/2019 and b) the depreciation to be charged to the profit and loss account in 2020.
2. Calculate the total depreciation on a) new and b) remaining/existing plant & machinery that is to be charged to the profit and loss account for the year ended 31 December 2020.
3. Draw up the following accounts, showing the opening balances and transactions for the year ended 31 December 2020; and balance off the accounts at the year end, including the opening balances for the next period:
 - i. Plant & machinery at cost account
 - ii. Provision for plant & machinery depreciation account
 - iii. Disposals account
4. Provide an extract of the statement of profit and loss for Rough Diamonds for the year ended 31 December 2020 and an extract of the balance sheet at that date.

Background/Context

This is a 24-hour submission.

This coursework will assess learning outcomes 2 & 3:

- Explain and apply accounting concepts and principles
- Record financial information using double-entry bookkeeping principles

READ THESE INSTRUCTIONS CAREFULLY

- You are required to do the T-accounts, numeric computations and related workings by hand
- Taking photos/scan your handwritten work with an app like CamScanner which can make your work visually clearer by making the paper lighter for better contrast.
- Add the images of your work into a Word document. There should only be **one** photo per page in the correct order and make sure that you expand the photo/scanned image to cover the whole page.

This coursework is an **individual** piece of work.

In submitting your exam answers you are confirming that your answers are all you own work and that you have not communicated or colluded with anyone else during the examination period or plagiarised any unreferenced content from any source. Your work will be submitted through Turnitin and checked manually for plagiarism and collusion.

Allocation of Marks

Section/element	Marks
Depreciation calculations	29
T-accounts	53
Extract financial statements	18

Illness or other mitigating circumstances

By submitting an assessment you are declaring yourself fit to take the assessment therefore please make sure that, if you are unwell, you understand our mitigating circumstances process. The most important thing to do is keep us informed if you are experiencing problems! See our regulations on this link:

<http://www.kingston.ac.uk/aboutkingstonuniversity/howtheuniversityworks/policiesandregulations>

ASSESSMENT SCENARIO

The following is an extract from the trial balance for Rough Diamonds as at 31 December 2019:

	£	£
Plant & machinery at cost	130,000	
Provision for plant & machinery depreciation		88,600

The following is a list of some of the transactions that occurred during the year ended 31 December 2020:

- 1/1/20 A new piece of machinery was bought for £30,000 by cheque.
- 1/4/20 A machine originally purchased on 1 January 2018 for £15,000, broke down and was found to be irreparable. The local scrap metal merchant removed the machine for no charge.
- 31/7/20 A new piece of plant was acquired for the total cost of £45,000. £39,000 was paid from the bank account and the rest was paid for by a part exchange of an old piece of plant which had been originally bought for £20,000 and had an accumulated depreciation at 31 December 2019 of £15,680.
- 31/12/20 The depreciation charge for the year ended 31 December 2020 for the new and remaining plant & machinery not already accounted for was recorded in the accounts.

It is Rough Diamonds policy to depreciate plant & machinery using the reducing balance method at a rate of 40%. Depreciation is charged on a pro rata basis during both the year of acquisition and the year of disposal.

Disposals are entered into the accounts at the time of disposal, but the disposals account is only balanced at the year end to calculate the total gain / loss on disposals for the year i.e. it is **not** necessary to calculate the gain or loss on each individual disposal.