**Exercise 10-**

**The annual depreciation per thousand units is as follows:**

**Balance of**

**End of         Unit                                                        Accumulated             Asset**

**Year        Output      Depreciation Expense          Depreciation         Book Value**

**$100,000**

**2002       80,000**

**2003     120,000**

**2004        40,000**

**At the end of 2004 the equipment is damaged and you have to write it off**

**the books. Make the journal entry for the write off.**

**Exercise 11**

**You pay $790,000 for a business and the list of accounts is as follows. Record the purchase.**

**1.   Accounts Receivable..............................................            180,000**

**Inventory...................................................................              75,000**

**Equipment................................................................              84,000**

**Short-Term Loan Payable......................................            160,000**

**Cash   ………………………………………………..     790,000**

**Exercise 12**

**Make a journal entry to record the $1,450,000 purchase of various franchise assets as follows:  (The franchise itself has a cash value of $225,000 and you paid it to Ruby tuesdayl)**

**The appraised values are Land $320,000; Patent 340,000, Building $620,000.**