On January 1, 20X2, The GenKota Winery purchased a new bottling system. The system has an expected life of 5 years. The system cost $325,000. Shipping, installation, and set up was an additional $35,000. At the end of the useful life, Julie Hayes, chief accountant for GenKota, expects to dispose of the bottling system for $96,000. She further anticipates total output of 660,000 bottles over the useful life.

(a) Assuming use of the straight-line depreciation method, prepare a schedule showing annual depreciation expense, accumulated depreciation, and related calculations for each year.

(b) Assuming use of the units-of-output depreciation method, prepare a schedule showing annual depreciation expense, accumulated depreciation, and related calculations for each year. Actual output, in bottles, was 100,000 (20X2), 130,000 (20X3), 150,000 (20X4), 160,000 (20X5), and 120,000 (20X6).

(c) Assuming use of the double-declining balance depreciation method, prepare a schedule showing annual depreciation expense, accumulated depreciation, and related calculations for each year.

(d) Assuming use of the straight-line method, prepare revised depreciation calculations if the useful life estimate was revised at the beginning of 20X4, to anticipate a remaining useful life of 4 additional years (in other words, a total life of 6 years). The revised useful life was accompanied by a change in estimated salvage value to $54,400.