

Ng's Shrimp Company owns a fishing vessel that originally cost \$250,000, with a 20-year life, and no anticipated salvage value. Ng uses the straight-line depreciation method. Review the following three *independent* cases, and prepare the journal entry to reflect the disposition of the boat in each case.

- Case 1 After 8 years of ownership, the boat was taken by a storm.
- Case 2 After 12 years of ownership, the boat was sold for \$175,000.
- Case 3 After 15 years of ownership, the boat was sold for \$60,000.