

## SCHEDULE 1

### NON-IAS INDIVIDUAL ACCOUNTS

## PART 2

### ACCOUNTING PRINCIPLES AND RULES

#### *Fixed assets*

#### **Rules for depreciation and diminution in value**

**18.** In the case of any fixed asset which has a limited useful economic life, the amount of—

- (a) its purchase price or production cost, or
- (b) where it is estimated that any such asset will have a residual value at the end of the period of its useful economic life, its purchase price or production cost less that estimated residual value,

must be reduced by provisions for depreciation calculated to write off that amount systematically over the period of the asset's useful economic life.