

# 淡江大學 100 學年度轉學生招生考試試題

62

系別：會計學系三年級

科目：會計學(二)

62-1

考試日期：7 月 19 日(星期二) 第 4 節

本試題共 五 大題，4-1 頁

本  
試  
題  
雙  
面  
印  
刷

## 一. MULTIPLE CHOICE QUESTIONS (20%)

1. Monroe Construction Company uses the percentage-of-completion method of accounting. In 2012, Monroe began work on a contract it had received which provided for a contract price of \$15,000,000. Other details follow:

	2012
Costs incurred during the year	\$7,200,000
Estimated costs to complete as of December 31	4,800,000
Billings during the year	6,600,000
Collections during the year	3,900,000

What should be the gross profit recognized in 2012?

- a. \$600,000    b. \$7,800,000    c. \$1,800,000    d. \$3,000,000

2. Equipment that cost \$300,000 and had a book value of \$156,000 was sold for \$180,000.

Data from the comparative statements of financial position are:

	12/31/11	12/31/10
Equipment	\$2,160,000	\$1,950,000
Accumulated Depreciation	660,000	570,000

Depreciation expense for 2011 was

- a. \$270,000    b. \$234,000.    c. \$144,000.    d. \$90,000.

3. During 2010, Vanpelt Co. introduced a new line of machines that carry a three-year warranty against manufacturer's defects. Based on industry experience, warranty costs are estimated at 2% of sales in the year of sale, 4% in the year after sale, and 6% in the second year after sale. Sales and actual warranty expenditures for the first three-year period were as follows:

	Sales	Actual Warranty Expenditures
2010	\$ 600,000	\$ 9,000
2011	1,500,000	45,000
2012	2,100,000	135,000
	<u>\$4,200,000</u>	<u>\$189,000</u>

What amount should Vanpelt report as a liability at December 31, 2012?

- a. \$0    b. \$15,000    c. \$204,000    d. \$315,000

# 淡江大學 100 學年度轉學生招生考試試題

系別：會計學系三年級

科目：會計學(二)

62-2

考試日期：7 月 19 日(星期二) 第 4 節

本試題共 五 大題，4-2 頁

4. On January 3, 2010, Boyer Corp. owned a machine that had cost \$200,000. The accumulated depreciation was \$120,000, estimated salvage value was \$12,000, and fair value was \$320,000. On January 4, 2010, this machine was irreparably damaged by Pine Corp. and became worthless. In October 2010, a court awarded damages of \$300,000 against Pine in favor of Boyer. At December 31, 2010, the final outcome of this case was awaiting appeal and was, therefore, uncertain. However, in the opinion of Boyer's attorney, Pine's appeal will be denied. At December 31, 2010, what amount should Boyer accrue for this contingent asset?

- a. \$320,000.    b. \$300,000.    c. \$200,000.    d. \$0.

5. Grant, Inc. had 40,000 treasury shares (\$10 par value) at December 31, 2010, which it acquired at \$11 per share. On June 4, 2011, Grant issued 20,000 treasury shares to employees who exercised options under Grant's employee share option plan. The fair value per share was \$13 at December 31, 2010, \$15 at June 4, 2011, and \$18 at December 31, 2011. The share options had been granted for \$12 per share. The cost method is used. What is the balance of the treasury shares on Grant's statement of financial position at December 31, 2011?

- a. \$140,000.    b. \$180,000.    c. \$220,000.    d. \$240,000.

二. On January 1, 2010, Acer Inc. borrowed \$1,600,000 to finance the construction of an office building, which was expected to take 2 years to build. Construction work on this qualifying asset was commenced on January 1, 2010. Interest on the loan was fixed at 10% per annum and payable on December 31. The payments made to the construction were \$1,400,000 on January 1, \$200,000 on July 1 and \$1,500,000 on December 1. The unutilized funds were temporarily invested with a return of 3% per annum. The construction work was stopped for 3 months from September 1 to November 30 due to damage caused by accident. Acer had other borrowing outstanding during the period as follows:

1. 10%, 10 -year bonds of \$1,250,000, dated December 31, 2007, with interest payable annually on December 31.
2. 8%, 5 -year bond payable, balance outstanding \$1,350,000, dated December 31, 2009, with interest payable annually on December 31.



# 淡江大學 100 學年度轉學生招生考試試題

系別：會計學系三年級

科目：會計學(二)

62-3

考試日期：7 月 19 日(星期二) 第 4 節

本試題共 五 大題， 4-3 頁

Instructions ( 依 IAS 23 規定處理 ) (23%)

(a) Compute the amounts of each of the following (show computations and round amount to the nearest \$1):

(i) A voidable interest incurred during 2010.

(ii) Total amount of interest cost to be capitalized during 2010.

(b) Prepare the entries at the end of 2010 to record the capitalization of interest.

- 三. Barone Corporation issues 3,000 convertible bonds at January 1, 2011. The bonds have a three year life, and are issued at par with a face value of €1,000 per bond, giving total proceeds of €3,000,000. Interest is payable annually at 6 percent. Each bond is convertible into 250 ordinary shares (par value of €1). When the bonds are issued, the market rate of interest for similar debt without the conversion option is 8%.

N	4%		6%		8%	
	PVF	PVF-OA	PVF	PVF-OA	PVF	PVF-OA
1	0.961538	0.961538	0.943396	0.943396	0.92593	0.92593
2	0.924556	1.886095	0.889996	1.833393	0.85734	1.78326
3	0.888996	2.775091	0.839619	2.673012	0.79383	2.57710
4	0.854804	3.629895	0.792094	3.465106	0.73503	3.31213
5	0.821927	4.451822	0.747258	4.212364	0.68058	3.99271

Instructions (28%)

- (a) Compute the liability and equity component of the convertible bond on January 1, 2011.
- (b) Prepare the journal entry to record the issuance of the convertible bond on January 1, 2011.
- (c) Prepare the journal entry to record the conversion on January 1, 2012.
- (d) Assume that the bonds were repurchased on January 1, 2012, for €2,910,000 cash instead of being converted. The net present value of the liability component of the convertible bonds on January 1, 2012, is €2,850,000. Prepare the journal entry to record the repurchase on January 1, 2012.

- 四. Assume that the following data relative to Kane Company for 2012 is available:

1. Net Income \$2,100,000, no cash dividends were declared or paid during 2012.
2. Assuming that the tax rate is 30%

# 淡江大學 100 學年度轉學生招生考試試題

系別：會計學系三年級

科目：會計學(二)

62-4

考試日期：7 月 19 日(星期二) 第 4 節

本試題共 五 大題， 4-4 頁

3. <u>Transactions in Ordinary Shares</u>	<u>Change</u>	<u>Cumulative</u>
Jan. 1, 2012, Beginning number		700,000
Mar. 1, 2012, Purchase of treasury shares	(60,000)	640,000
June 1, 2012, Share split 2-1	640,000	1,280,000
Nov. 1, 2012, Issuance of shares	120,000	1,400,000

4. Convertible 6% bonds

issued at par and outstanding the entire year. Each of the 300, \$1,000 bonds is convertible into 20 ordinary shares

\$300,000

5. 8% Cumulative Convertible Preference Shares (issued at the beginning of 2012)

Sold at par, convertible into 200,000 ordinary shares

(adjusted for split), no preference share were converted during 2012.

\$1,000,000

6. Ordinary Share Options (granted in a prior year)

Exercisable at the option price of \$25 per share. Average

market price in 2012, \$30 (market price and option price

adjusted for split). All options are still outstanding at the end of 2012.

60,000 shares

**Instructions** (24%)

(a) Compute the basic earnings per share for 2012. (Round to the nearest penny.)

(b) Compute the diluted earnings per share for 2012. (Round to the nearest penny.)

五 On January 1, 2011, Frost Corp. changed its inventory method to FIFO from average cost for both financial and income tax reporting purposes. The change resulted in an \$800,000 increase in the January 1, 2011 inventory. Assume that the income tax rate for all years is 30%. The cumulative effect of the accounting change should be reported by Frost in its 2011.

**Instructions** (5%)

Prepare the journal entry necessary to record a change from the average cost to the FIFO in 2011.