

# 淡江大學九十二學年度進修學士班轉學生招生考試試題

系別：會計學系三年級

科目：會計學(二)

准帶項目請打「○」否則打「x」	
○	簡單型計算機

本試題共 2 頁 P1

本試題雙面印製

一、 On March 31, 1998, Garnett Corporation sold \$1,000,000 of its 8%, 10-year bonds for \$961,500 including accrued interest. The bonds were dated January 1, 1998. Interest is paid semiannually on January 1 and July 1. On April 1, 2002, Garnett purchased 1/2 of the bonds on the open market at 99 plus accrued interest and canceled them. Garnett uses the straight-line method for amortization of bond premiums and discounts.

- 試作：
- (a) What was the amount of the gain or loss on retirement of the bonds?
  - (b) Prepare the journal entry needed at April 1, 2002 to record retirement of the bonds. Assume that interest and premium or discount amortization have been recorded through January 1, 2002. Record interest and amortization on only the bonds retired.
  - (c) Prepare the journal entry needed at July 1, 2002 to record interest and premium or discount amortization.

(18/90)

二、 The controller for Hines Corporation is concerned about certain business transactions that the company experienced during 1999. The controller, after discussing these matters with various individuals, has come to you for advice. The transactions at issue are presented below.

- 1. The company has decided to switch from the direct write-off method in accounting for bad debt expense to the percentage-of-sales approach. Assume that Hines Corporation has recognized bad debt expense as the receivables have actually become uncollectible in the following way:

	1998	1999
From 1998 sales	5,300	2,000
From 1999 sales		7,500

The controller estimates that an additional \$10,900 will be charged off in 2000: \$1,900 applicable to 1998 sales and \$9,000 to 1999 sales.

- 2. During the current year, the company sold \$150,000 of goods on the installment basis. The cost of sales associated with these goods sold is \$112,500. The company inadvertently handled these sales and related costs as part of the regular sales transactions. Cash of \$43,000, including a down payment of \$15,000, was collected on these installment sales during the current year. Due to questionable collectibility, the installment method was considered appropriate.
- 3. Inventory has been shipped on consignment. These transactions have been recorded as ordinary sales and billed as such on account. At December 31, 1999, inventory billed and in the hands of consignees amounted to \$80,000. The percentage markup on selling price is 20%. Assume that consigned inventory is sold the following year. The company uses the perpetual inventory system.

- 試作：
- (a) Assume that Hines Corporation reported net income of \$500,000 for 1999. Present a schedule showing the corrected net income after reviewing the above transactions.
  - (b) Prepare the journal entries necessary at December 31, 1999, assuming that the books have been closed.

(28/90)

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本試題共 2 頁 P2

三、

On July 1, 2001, Kim Kyung-wook Construction Company Inc. contracted to build an office building for Fu Mingxia Corp. for a total contract price of \$1,950,000. On July 1, Kyung-wook estimated that it would take between 2 and 3 years to complete the building. On December 31, 2003, the building was deemed substantially completed. Following are accumulated contract costs incurred, estimated costs to compete the contract, and accumulated billings to Mingxia for 2001, 2002, and 2003.

	AI 12/31/01	AI 12/31/02	AI 12/31/03
Contract costs incurred to date	\$ 150,000	\$1,200,000	\$2,100,000
Estimated costs to complete the contract	1,350,000	800,000	0-
Billings to Mingxia to date	300,000	1,100,000	1,850,000
Cash collected to date	200,000	900,000	1,500,000

**Instructions**

- (a) Using the percentage-of-completion method, prepare schedules to compute the profit or loss to be recognized as a result of this contract for the years ended December 31, 2001, 2002, and 2003. (Ignore income taxes.) (採年額法計算工程損益)
- (b) Using the completed-contract method, prepare schedules to compute the profit or loss to be recognized as a result of this contract for the years ended December 2001, 2002, and 2003. (Ignore income taxes.)
- (c) Prepare all necessary journal entries for 2002. (採年額法認列工程利益)
- (d) Prepare a partial balance sheet for December 31, 2002, showing the balances in the receivables and inventory accounts.

(30/10)

四、

Millard Company holds 300 shares of common stock of Fillmore's Decorating Inc. that it purchased for \$31,629 as a long-term investment. On January 15, 2002, it is announced that one right will be issued for every 4 shares of Fillmore's Decorating Inc. stock held.

**Instructions**

- (a) Prepare entries on Millard Company's books for the transactions below that occurred after the date of this announcement.
  - (1) 100 shares of stock are sold rights-on for \$11,500.
  - (2) Rights to purchase 50 additional shares of stock at par value of \$100 per share are received. The market value of the stock on this date is \$105 per share and the market value of the rights is \$6 per right.
  - (3) The rights are exercised, and 50 additional shares are purchased at \$100 per share.
  - (4) 100 shares of the stock originally held are sold at \$106 per share.
- (b) If the rights had not been exercised but instead had been sold at \$6 per right, what would have been the amount of the gain or loss on the sale of the rights?
- (c) If the stock purchased through the exercise of the rights is later sold at \$107 per share, what is the amount of the gain or loss on the sale?
- (d) If the rights had not been exercised, but had been allowed to expire, what would be the proper entry?

(21/10)

五、

Presented below is information related to Langston Hughes Corporation:

	Price Index	LIFO Cost	Retail
Inventory on December 31, 2002, when dollar-value LIFO is adopted	100	\$36,000	\$ 74,500
Inventory, December 31, 2003	110	?	100,100

**Instructions**

Compute the ending inventory under the dollar-value LIFO method at December 31, 2003. The cost-to-retail ratio for 2003 was 60%.

(3/10)