94-1

淡江大學98學年度碩士班招生考試試題

系別：會計學系　　　　　　科目：中 級 會 計 學

准帶項目請打「V」	
V	簡單型計算機

本試題共 4 頁，5 大題

I. Multiple Choices (*4 points each question*) 20%

1. How would the declaration and subsequent issuance of a 10% stock dividend by the issuer affect each of the following when the market value of the shares exceeds the par value of the stock?

	Common Stock	Additional-Paid-In Capital
a.	No effect	No effect
b.	No effect	Increase
c.	Increase	No effect
d.	Increase	Increase

2. Vernon Co. is being sued for illness caused to local residents as a result of negligence on the company's part in permitting the local residents to be exposed to highly toxic chemicals from its plant. Vernon's lawyer states that it is probable that Vernon will lose the suit and be found liable for a judgment costing Vernon anywhere from $1,200,000 to $6,000,000. However, the lawyer states that the most probable cost is $3,600,000. As a result of the above facts, Vernon should accrue

   a. a loss contingency of $1,200,000 and disclose an additional contingency of up to $4,800,000.
   b. a loss contingency of $3,600,000 and disclose an additional contingency of up to $2,400,000.
   c. a loss contingency of $3,600,000 but *not* disclose any additional contingency.
   d. no loss contingency but disclose a contingency of $1,200,000 to $6,000,000.

3. Shangra-La Company incurred $1,500,000 ($400,000 in 2007 and $1,100,000 in 2008) to develop a computer software product. $500,000 of this amount was expended before technological feasibility was established in early 2008. The product will earn future revenues of $4,000,000 over its 5-year life, as follows: 2008 – $1,000,000; 2009 – $1,000,000; 2010 – $800,000; 2011 – $800,000; and 2012 – $400,000. What portion of the $1,500,000 computer software costs should be expensed in 2008?

   a. $250,000
   b. $300,000
   c. $350,000
   d. $1,100,000

4. May Co. prepared an aging of its accounts receivable at December 31, 2007 and determined that the net realizable value of the receivables was $300,000. Additional information is available as follows:

Allowance for uncollectible accounts at 1/1/07—credit balance	$ 34,000
Accounts written off as uncollectible during 2007	23,000
Accounts receivable at 12/31/07	325,000
Uncollectible accounts recovered during 2007	5,000

◀注意背面尚有試題▶

本試題雙面印製

For the year ended December 31, 2007, May's uncollectible accounts expense would be

a. $9,000.
b. $23,000.
c. $16,000.
d. $25,000.

5. On December 1, 2007, Logan Co. purchased a tract of land as a factory site for $800,000. The old building on the property was razed, and salvaged materials resulting from demolition were sold. Additional costs incurred and salvage proceeds realized during December 2007 were as follows:

Cost to raze old building	$70,000
Legal fees for purchase contract and to record ownership	10,000
Title guarantee insurance	16,000
Proceeds from sale of salvaged materials	8,000

In Logan 's December 31, 2007 balance sheet, what amount should be reported as land?

a. $826,000.
b. $862,000.
c. $888,000.
d. $896,000.

II. Wood Ltd manufactures desks. Most of the company's desks are standard models and are sold on the basis of catalogue prices. At June 30, 2007, the following finished desks appear in the company's inventory.

Finished Desks	**A**	**B**	**C**	**D**
Quantity	1,100	800	1,000	1,400
2006-07 catalogue selling price	$450	$480	$900	$1,050
FIFO cost per inventory list 30 June 2007	470	450	830	960
Estimated current cost to manufacture (at 30 June 2007, and early 2007-08)	460	440	610	1,000
Sales Commissions and estimated other costs of disposal	45	60	90	130
2007-08 catalogue selling price	500	540	900	1,200

The 2006-07 catalogue was in effect to the end of May 2007, and the 2007-08 catalogue is effective as at June 1, 2007. All catalogue prices are net of the usual discounts. Generally, the company attempts to obtain a 20% gross margin on selling price and has usually been successful in doing so.

Required, (15%)

(1) At what amount should each of the four types of desks appear in the company's June 30, 2007 inventory, assuming that the company has adopted a lower of FIFO cost or net realizable value approach for valuation of inventories on an individual item basis?

(2) Show the journal entry the company will need to make in order to write down the ending inventory from cost to net realizable value.

III. Octavio Paz Corp. carries an account in its general ledger called 'Investments', which contained debits for investment purchases, and no credits below.

Feb. 1, 2006	CKS Company common stock, $100 par, 200 shares	$37,400
April 1	US government bonds, 11%, due April 1, 2016, interest payable April 1 and October 1, 100 bonds of $1,000 par each	100,000
July 1	Claude Monet Company 12% bonds, par $50,000, dated March 1, 2006 purchased at 104 plus accrued interest, interest payable annually on March 1, due March, 2026	54,000

Required, (Round all computations to the nearest dollar) **(20%)**

(1) Prepare entries necessary to classify the amounts into proper accounts, assuming that all the securities are classified as available-for-sale.

(2) Prepare the entry to record the accrued interest and the amortization of premium on December 31, 2006, using the straight-line method.

(3) The fair value of the securities on December 31, 2006, were:

CKS Company common stock	$33,800
US government bonds	124,700
Claude Monet Company bonds	58,600

What entry or entries, if any, would you recommend be made?

(4) The U.S. government bonds were sold on July 1, 2007, for $119,200 plus accrued interest. Give the proper entry.

IV. Promos Corporation owes Tamkang Bank a 10-year note in the amount of $110,000 plus $11,000 of accrued interest. The note is due today, December 31, X11. Because Promos Corporation is in financial difficulty, Tamkang agrees to forgive the accrued interest, $10,000 of the principal, and to extend the maturity date to December 31, X14. Interest at 10% of revised principal will continue to be due on 12/31 each year. Assume the present market rate for a loan of this nature is 12%.

Required, (20%)

Please give your answers based on the lately issuance of the revised R.O.C. SFAS No. 34.

(1) Under this new term modification, at what amount of gain or loss should Promos Corporation and Tamkang Bank respectively recognize at the date of restructure? Explain.

(2) Prepare all the necessary journal entries on the books of Promos Corporation for the years X11, X12, and X13.

(3) Prepare all the necessary journal entries on the books of Tamkang Bank for the years X11, X12, and X14.

◀注意背面尚有試題▶

本試題雙面印製

V. Stine Leasing Company agrees to lease machinery to Potter Corporation on January 1, 2008. The following information relates to the lease agreement.

1. The term of the lease is 7 years with no renewal option, and the machinery has an estimated economic life of 9 years.
2. The cost of the machinery is $420,000, and the fair value of the asset on January 1, 2008 is $560,000.
3. At the end of the lease term the asset reverts to the lessor. At the end of the lease term the asset has a guaranteed residual value of $80,000. Potter depreciates all of its equipment on a straight-line basis.
4. The lease agreement requires equal annual rental payments, beginning on January 1, 2008.
5. The collectability of the lease payments is reasonable predictable, and there are no important uncertainties surrounding the amount of costs yet to be incurred by the lessor.
6. Stine desires a 10% rate of return on its investments. Potter's incremental borrowing rate is 11%, and the lessor's implicit rate is unknown.

Required, (Round all computations to the nearest dollar) **(25%)**

(Assume the accounting period ends on December 31)

(1) Discuss the nature of this lease for both the lessee and the lessor.
(2) Calculate the amount of the annual rental payment required.
(3) Compute the present value of the minimum lease payments.
(4) Prepare the journal entries Potter would make in 2008 and 2009 related to the lease arrangement.

Appendix: Table for Present Value Factors

	Present Value of 1			Present Value of An Ordinary Annuity of 1			
Periods	10.0%	11.0%	12.0%	Periods	10.0%	11.0%	12.0%
1	0.90909	0.90090	0.89286	1	0.90909	0.90090	0.89286
2	0.82645	0.81162	0.79719	2	1.73554	1.71252	1.69005
3	0.75132	0.73119	0.71178	3	2.48686	2.44371	2.40183
4	0.68301	0.65873	0.63552	4	3.16988	3.10245	3.03735
5	0.62092	0.59345	0.56743	5	3.79080	3.69590	3.60478
6	0.56447	0.53464	0.50663	6	4.35527	4.23054	4.11141
7	0.51316	0.48166	0.45235	7	4.86843	4.71220	4.56376
8	0.46651	0.43393	0.40388	8	5.33494	5.14612	4.96764
9	0.42410	0.39092	0.36061	9	5.75903	5.53705	5.32825
10	0.38554	0.35218	0.32197	10	6.14458	5.88923	5.65022