

系級	會計學系三年級	考試時間	100 分鐘
科目	會計學 (二)	本科總分	100 分

注意：

1. 答案請在所附「招生考試答案卷」上，由第一頁起依序作答，試題上作答不計分。
2. 請以英文正楷作答。計算題最終答案四捨五入至整數位。
3. 計算題須於答案卷上留下計算過程。

一、選擇題(25 題，每題 2 分，共 50 分)：

1. Which of the following statements is **not** an objective of financial reporting?
  - a. Provide information on the liquidation value of an enterprise.
  - b. Provide information that is useful in assessing cash flow prospects.
  - c. Provide information about enterprise resources, claims to those resources, and changes to them.
  - d. Provide information that is useful in investment and credit decisions.
2. Accrual accounting is used because
  - a. cash flows are considered less important.
  - b. it recognizes revenues when cash is received and expenses when cash is paid.
  - c. it provides a better indication of ability to generate cash flows than the cash basis.
  - d. None of these answers are correct.
3. The underlying theme of the conceptual framework is
 

a. understandability.	b. decision usefulness.
c. faithful representation.	d. comparability.
4. The quality of information that means the numbers and descriptions match what really existed or happened is
 

a. completeness.	b. relevance.
c. neutrality.	d. faithful representation.
5. Accounting information is considered to be relevant when it
  - a. can be depended on to represent the economic conditions and events that it is intended to represent.
  - b. is understandable by reasonably informed users of accounting information.
  - c. is capable of making a difference in a decision.
  - d. is verifiable and neutral.
6. What is the general approach as to when product costs are recognized as expenses?
  - a. In the period when the related revenue is recognized.
  - b. In the period when the vendor invoice is received.
  - c. In the period when the expenses are paid.
  - d. In the period when the expenses are incurred.

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<p>7. Expensing the cost of copy paper when the paper is acquired is an example of</p> <p>a. full disclosure.                      b. faithful representation.</p> <p>c. conservatism.                      d. materiality.</p> <p>8. The statement of financial position can help assess all of the following except</p> <p>a. Financial flexibility.    b. Profitability.    c. Solvency.    d. Liquidity.</p> <p>9. Which of the following methods of determining annual bad debt expense best achieves the matching concept?</p> <p>a. Direct write-off                      b. Percentage of ending accounts receivable</p> <p>c. Percentage of sales                      d. Percentage of average accounts receivable</p> <p>10. When preparing a bank reconciliation, bank credits are</p> <p>a. added to the bank statement balance.    b. deducted from the bank statement balance.</p> <p>c. deducted from the balance per books.    d. added to the balance per books.</p> <p>11. Which inventory costing method most closely approximates current cost for ending inventory?</p> <p>a. LIFO    b. Average    c. FIFO    d. Specific identification</p> <p>12. Lower-of-cost-or-net realizable value as it applies to inventory is best described as the</p> <p>a. change in inventory value to net realizable value.</p> <p>b. reporting of a loss when there is a decrease in the future utility below the original cost.</p> <p>c. method of determining cost of goods sold.</p> <p>d. assumption to determine inventory flow.</p> <p>13. The credit balance that arises when a net loss on a purchase commitment is recognized should be</p> <p>a. presented as an appropriation of retained earnings.    b. presented as a current liability.</p> <p>c. subtracted from ending inventory.                      d. presented in the income statement.</p> <p>14. The sale of a depreciable asset resulting in a loss indicates that the proceeds from the sale were</p> <p>a. less than book value.                      b. less than current fair value.</p> <p>c. less than original cost.                      d. greater than original cost.</p> <p>15. Which of the following most accurately reflects the concept of depreciation as used in accounting?</p> <p>a. The process of allocating the cost of tangible assets to expense in a systematic and rational manner to those periods expected to benefit from the use of the asset.</p> <p>b. The process of charging the decline in value of an economic resource to income in the period in which the benefit occurred.</p> <p>c. A method of allocating asset cost to an expense account in a manner which closely matches the physical deterioration of the tangible asset involved.</p> <p>d. An accounting concept that allocates the portion of an asset used up during the year to the contra asset account for the purpose of properly recording the fair market value of tangible assets.</p>			

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16. Operating losses incurred during the start-up years of a new business should be

- written off directly against retained earnings.
- capitalized as a deferred charge and amortized over five years.
- accounted for and reported like the operating losses of any other business.
- capitalized as an intangible asset and amortized over a period not to exceed 20 years.

17. On January 1, 2015, SSS Co. issued its 10% bonds in the face amount of \$3,000,000, which mature on January 1, 2020. The bonds were issued for \$3,405,000 to yield 8%, resulting in bond premium of \$405,000. SSS uses the effective-interest method of amortizing bond premium. Interest is payable annually on December 31. At December 31, 2015, the carrying value of the bonds should be

- \$3,377,400.
- \$3,405,000.
- \$3,364,500.
- \$3,304,500.

18. At December 31, 2015 the following balances were reported on the statement of financial position of YYY Corporation:

Bonds Payable	¥1,472,000,000
Interest Payable	33,750,000

The bonds have a face amount of ¥1,500,000,000. If the bonds are retired on January 1, 2016 at 102, what amount of gain or loss will YYY report on the redemption?

- ¥76,750,000
- ¥58,000,000
- ¥30,000,000
- ¥43,000,000

19. On December 31, 2018, the equity section of AAA, Inc., was as follows:

Share capital—ordinary, par value €10; authorized 30,000 shares;	
issued and outstanding 9,000 shares	€ 90,000
Share premium—ordinary	116,000
Retained earnings	<u>274,000</u>
Total equity	<u>€380,000</u>

On March 31, 2019, AAA declared a 10% share dividend, and accordingly 900 additional shares were issued, when the fair value was €18 per share. For the three months ended March 31, 2019, AAA sustained a net loss of €32,000. The balance of AAA's retained earnings as of March 31, 2019, should be

- €233,000.
- €234,800.
- €225,800.
- €242,000.

20. HHH Co. was organized on January 2, 2019, with 500,000 authorized shares of £10 par value ordinary shares. During 2019, HHH had the following capital transactions:

- January 5—issued 375,000 shares at £14 per share.
- July 27—purchased 25,000 shares at £11 per share.
- November 25—sold 15,000 shares of treasury shares at £13 per share.

HHH used the cost method to record the purchase of the treasury shares. What would be the balance in the Treasury Shares account at December 31, 2019?

- £275,000.
- £110,000.
- £80,000
- £130,000.

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<p>21. In accounting for share-appreciation rights plans, compensation expense is generally</p> <p>a. allocated over the service period of the employees.</p> <p>b. not recognized because no excess of market price over the option price exists at the date of grant.</p> <p>c. recognized in the period of the grant.</p> <p>d. recognized in the period of exercise.</p> <p>22. BBB Company purchased 300 of the 1,000 outstanding ordinary shares of DDD Company's for £400,000 on January 2, 2019. During 2019, DDD Company declared dividends of £50,000 and reported earnings for the year of £200,000. If BBB Company uses the equity method of accounting for its investment in DDD Company, its Equity Investments account at December 31, 2019 should be</p> <p>a. £550,000.    b. £445,000.    d. £475,000.    b. £460,000.</p> <p>23. DOO Inc. uses the accrual method of accounting for financial reporting purposes and appropriately uses the installment (cash) basis of accounting for income tax purposes. Profits of €300,000 recognized for books in 2018 will be collected in the following years:</p> <table style="margin-left: 40px;"> <thead> <tr> <th colspan="2" style="text-align: center;"><u>Collection of Profits</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">2019</td> <td>€50,000</td> </tr> <tr> <td style="text-align: right;">2020</td> <td>€100,000</td> </tr> <tr> <td style="text-align: right;">2021</td> <td>€150,000</td> </tr> </tbody> </table> <p>The enacted tax rates are: 40% for 2018, 35% for 2019 and 2020, and 30% for 2021. Taxable income is expected in all future years. What amount should be included in the December 31, 2018, statement of financial position for the deferred tax liability related to the above temporary difference?</p> <p>a. €97,500    b. €90,000    c. €105,000    d. €120,000</p> <p>24. At December 31, 2018 RRR Corporation reported a deferred tax liability of €90,000 which was attributable to a taxable temporary difference of €300,000. The temporary difference is scheduled to reverse in 2022. During 2019, a new tax law increased the corporate tax rate from 30% to 50%. RRR should record this change by debiting</p> <p>a. Retained Earnings for €60,000.                      b. Income Tax Expense for €60,000.</p> <p>c. Income Tax Expense for €18,000.                      d. Retained Earnings for €18,000.</p> <p>25. The following information pertains to HII Co.'s pension plan:</p> <table style="margin-left: 40px;"> <tbody> <tr> <td>Actuarial estimate of defined benefit obligation at 1/1/19</td> <td style="text-align: right;">£72,000</td> </tr> <tr> <td>Assumed discount rate</td> <td style="text-align: right;">10%</td> </tr> <tr> <td>Service costs for 2019</td> <td style="text-align: right;">£18,000</td> </tr> <tr> <td>Pension benefits paid during 2019</td> <td style="text-align: right;">£16,000</td> </tr> </tbody> </table> <p>If <b>no</b> change in actuarial estimates occurred during 2019, HII's defined benefit obligation at December 31, 2019 was</p> <p>a. £81,200.    b. £63,200.    c. £78,200.    d. £74,000.</p>				<u>Collection of Profits</u>		2019	€50,000	2020	€100,000	2021	€150,000	Actuarial estimate of defined benefit obligation at 1/1/19	£72,000	Assumed discount rate	10%	Service costs for 2019	£18,000	Pension benefits paid during 2019	£16,000
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**二、計算題(7 題，共 50 分)：**

**1. (6 分)**

ABC Dairy began operations on April 1, 2019, with purchase of 250 milking cows for ¥8,500,000. It has completed the first month of operations and has the following information for its milking cows at the end of April 2019.

Milking cows

Change in fair value due to growth and price changes\* ¥(220,000)

Decrease in fair value due to harvest (15,000)

Milk harvested during April 2019 (at net realizable value) 85,000

\*Due to a very high rate of calving in the past month, there is a glut of milking cows on the market.

**Instructions**

- Prepare the journal entry for ABC's biological asset (milking cows) for the month of April 2019.
- Prepare the journal entry for the milk harvested by ABC during April 2019.
- ABC sells the milk harvested in April on the local milk exchange and receives ¥93,000. Prepare the journal entry.

**2. (6 分)**

HQQ Co. exchanged Building A which has an appraised value of €3,000,000, a cost of €5,060,000, and accumulated depreciation of €2,420,000 for Building B belonging to FFF Co. Building B has an appraised value of €2,800,000, a cost of €6,520,000, and accumulated depreciation of €3,168,000. The correct amount of cash was also paid. Assume depreciation has already been updated.

**Instructions**

Prepare the entries on both companies' books assuming the exchange has commercial substance.

**3. (6 分)**

SSS Company owns land that it purchased at a cost of £600,000 in 2016. The company chooses to use revaluation accounting to account for the land. The land's value fluctuate as follows (all amounts as of December 31): 2016, £675,000; 2017, £540,000; 2018, £615,000.

**Instructions**

Prepare the journal entries to record the revaluation of the land in each year.

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**4. (8 分)**

The following information was taken from the books and records of LLL, Inc.:

1. Net income	€ 170,000
2. Capital structure:	
a. Convertible 6% bonds. Each of the 300, €1,000 bonds is convertible into 50 ordinary shares at the present date and for the next 10 years.	300,000
b. €10 par, 200,000 ordinary shares issued and outstanding during the entire year.	2,000,000
c. Share warrants outstanding to buy 16,000 ordinary shares at €20 per share.	
3. Other information:	
a. Bonds converted during the year	None
b. Income tax rate	30%
c. Convertible debt was outstanding the entire year	
d. Average market price per share of common stock during the year	€32
e. Warrants were outstanding the entire year	
f. Warrants exercised during the year	None

**Instructions**

Compute basic and diluted earnings per share.

**5. (6 分)**

PPP Builders contracted to build a high-rise for €30,000,000. Construction began in 2018 and is expected to be completed in 2020. Data for 2018 and 2019 are:

	<u>2018</u>	<u>2019</u>
Costs incurred to date	€4,500,000	€13,000,000
Estimated costs to complete	18,000,000	12,000,000

PPP uses the percentage-of-completion method.

**Instructions**

- How much gross profit should be reported for 2018? Show your computation.
- How much gross profit should be reported for 2019?
- Make the journal entry to record the revenue and gross profit for 2019.

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**6. (8 分)**

VVV Company reported net incomes for a three-year period as follows:

2017, \$186,000; 2018, \$189,000; 2019, \$180,000.

In reviewing the accounts in 2020 after the books for the prior year have been closed, you find that the following errors have been made in summarizing activities:

	<u>2017</u>	<u>2018</u>	<u>2019</u>
Overstatement of ending inventory	\$45,000	\$51,000	\$24,000
Understatement of accrued advertising expense	6,600	12,000	7,300

**Instructions**

- (a) Determine corrected net incomes for 2017, 2018, and 2019.
- (b) Give the entry to bring the books of the company up to date in 2020, assuming that the books have been closed for 2019.

**7. (10 分)**

Presented below is information related to CCC Inc.

	<u>Cost</u>	<u>Retail</u>
Inventory, 12/31/18	€375,000	€ 550,000
Purchases	1,389,000	2,080,000
Purchase returns	90,000	120,000
Purchase discounts	27,000	-
Gross sales (after employee discounts)	-	2,110,000
Sales returns	-	145,000
Markups	-	180,000
Markup cancellations	-	60,000
Markdowns	-	65,000
Markdown cancellations	-	30,000
Freight-in	63,000	-
Employee discounts granted	-	32,000
Loss from breakage (normal)	-	8,000
Loss from breakage (abnormal)	20,000	30,000

**Instructions**

Assuming that CCC Inc. uses the conventional retail inventory method, compute the cost of its ending inventory at December 31, 2019.