

臺灣綜合大學系統 107 學年度學士班轉學生聯合招生考試試題

科目名稱	初級會計學	類組代碼	B21
		科目碼	B2191

※本項考試依簡章規定各考科均「不可以」使用計算機

本科試題共計 4 頁

Please answer the following in English. Each line of journal entry is worth 1.5%.

1. The adjusted trial balance of Aimex Company at December 31, 2017 includes the following accounts: Retained Earnings \$50,000; Dividends \$3,000; Service Revenue \$40,000; Salaries and Wages Expense \$10,000; Insurance Expense \$2,000; Rent Expense \$5,000; Supplies Expense \$800; and Depreciation Expense \$500. Prepare a retained earnings statement for the year. (13%)

2. Prepare the necessary journal entries to record the following transactions, assuming a periodic inventory system: (11%)

- (a) Purchased \$630,000 of merchandise on account, terms 2/10, n/30. (3%)
- (b) Returned \$30,000 of damaged merchandise for credit. (3%)
- (c) Paid for the merchandise purchased within 10 days. (5%)

3. The cash records of Panama Company show the following:

- 1) In June, deposits per the bank statement totaled €39,600; deposits per books €37,000; and deposits in transit at September 30 were €2,500.
- 2) In June, cash disbursements per books were €35,500; checks clearing the bank were €37,800; and outstanding checks at September 30 were €4,500.

There were no bank debit or credit memoranda and no errors were made by either the bank or Sanders Company. Answer the following questions (15%)

- (a) What were the deposits in transit at May 31? (7.5%)
- (b) What were the outstanding checks at May 31? (7.5%)

4. Valley Oak Company often requires customers to sign promissory notes for major credit purchases. Journalize the following transactions for Valley Oak Company. (16.5%)

March 2 Accepted a \$50,000, 6%, 90-day note from Casey Morris for a custom built software.

June 4 Received notification from Casey Morris that he was unable to honor his promissory note but that he expects to pay the amount owed in May.

July 15 Received a check from Casey Morris for the total amount owed.

Sep. 23 Received notification by the bank that Casey Morris check was being returned "NSF" and that (見 P. 2)

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Casey Morris had declared personal bankruptcy.

5. Stellar Company sold the following machine in 2017:

Cost	\$100,000
Purchase date	1/1/17
Useful life	5 years
Residual value	\$6,000
Depreciation method	Double-declining-balance
Date sold	7/1/18
Sales price	\$60,000

Instructions

Journalize all entries required to update depreciation and record the sales of the two assets in 2018. The company has recorded depreciation on the machine through December 31, 2017. (9%)

6. The following information is available for Samuel Corporation:

Share capital—ordinary (\$5 par)	\$800,000
Share premium—ordinary	300,000
Retained earnings	200,000
Treasury shares	50,000
Ordinary shares issued	200,000 shares
Ordinary shares outstanding	100,000

Instructions

Based on the preceding information, calculate the book value per share. (2%)

7. On January 1, 2017, Wachat Company purchased 5,000 ordinary shares of Klein Company for \$1,000,000. Wachat's investment represents 30 percent of the total outstanding shares of Klein. During 2017, Klein paid total dividends of \$450,000 and reported net income of \$500,000. What revenue does Wachat report related to this investment and what is the amount to be reported as the Investment in Klein at December 31? (5%)

8. Quest Corporation issues a £5,000,000, 5%, 20-year mortgage note payable on December 31, 2017, to obtain needed financing for the construction of a factory. The terms provide for annual installment payments of £350,000 on December 31. (9.5%)

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Instructions

- (a) Prepare the journal entries to record the mortgage loan on December 31, 2017, and the first installment payment. (4%)
- (b) Will the amount of principal reduction in the second installment payment be more or less than with the first installment payment? (5.5%)

9. Weaver Company has the following data at December 31, 2017 for its securities.

<u>Securities</u>	<u>Cost</u>	<u>Fair Value</u>
Trading	\$100,000	\$110,000
Non-Trading	90,000	85,000

Instructions

Prepare the adjusting entries to report the securities at fair value. (6%)

10. The income statement of Overflow Inc. for the year ended December 31, 2017, reported the following condensed information:

Service revenue	\$1,000,000
Operating expenses	<u>500,000</u>
Income from operations	500,000
Income tax expense	<u>300,000</u>
Net income	<u>\$200,000</u>

Overflow's statement of financial position contained the following comparative data at December 31:

	<u>2017</u>	<u>2016</u>
Accounts receivable	\$800,000	\$750,000
Accounts payable	200,000	300,000
Income taxes payable	25,000	20,000

Redman has no depreciable assets. Accounts payable pertains to operating expenses.

Instructions

Prepare the operating activities section of the statement of cash flows using the direct method. (9%)

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11. Previous employees of Paulo Corporation stole its accounting records on December 31, 2017. The company was only able to recompose some of the records and has ascertained the following balances.

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Cash	\$ 30,000	\$ 10,000
Accounts receivables (net)	84,000	126,000
Inventory	300,000	200,000
Accounts payable	50,000	90,000
Notes payable	30,000	60,000
Share capital – ordinary, \$100 par	500,000	500,000
Retained earnings	150,000	100,000

Additional information:

1. The inventory turnover is 10 times
2. The return on ordinary shareholders' equity is 30%. The company had no share premium.
3. The accounts receivable turnover is 9.4 times.
4. The return on assets is 20%.
5. Total assets at December 31, 2016, were \$900,000.

Instructions

Compute the following for Paulo Corporation. (4%)

- (a) Cost of goods sold for 2017. (2%)
- (b) Total Assets at December 31, 2017 (2%)