

一、計算題(請列出計算過程)(30%)

1. On its December 31, 1997 balance sheet, Nilo Corp. reported bonds payable of \$8,000,000 and related unamortized bond issue costs of \$430,000. The bonds had been issued at par. On January 2, 1998, Nilo retired \$4,000,000 of the outstanding bonds at par plus a call premium of \$100,000. What amount should Nilo report in its 1998 income statement as loss on extinguishment of debt?
2. Gow Constructor, Inc. has consistently used the percentage-of-completion method of recognizing income. In 1998, Gow started work on an \$18,000,000 construction contract that was completed in 1999. The following information was taken from Gow's 1998 accounting records:

Progress billings	\$6,600,000
Costs incurred	5,400,000
Collections	4,200,000
Estimated costs to complete	10,800,000

What amount of gross profit should Gow have recognized in 1998 on this contract?
3. John Tracey, M.D., keeps his accounting records on the cash basis. During 1998, Dr. Tracey collected \$150,000 in fees from his patients. At December 31, 1997, Dr. Tracey had accounts receivable of \$20,000. At December 31, 1998, Dr. Tracey had accounts receivable of \$35,000 and unearned fees of \$5,000. On the accrual basis, how much was Dr. Tracey's patient service revenue for 1998?
4. Orr Co. prepared an aging of its accounts receivable at December 31, 1998 and determined that the net realizable value of the receivables was \$250,000. Additional information is available as follows:

Allowance for uncollectible accounts at 1/1/98—credit balance	\$ 28,000
Accounts written off as uncollectible during 1998	23,000
Accounts receivable at 12/31/98	270,000
Uncollectible accounts recovery during 1998	5,000

What amount of uncollectible accounts expenses should be recorded in Orr's accounts for the year ended December 31, 1998?
5. On December 31, 1998, Vey Co. traded equipment with an original cost of \$100,000 and accumulated depreciation of \$40,000 for similar productive equipment with a fair value of \$60,000. In addition, Vey received \$30,000 cash in connection with this exchange. What should be Vey's carrying amount for the equipment received at December 31, 1998?
6. Shorter Company sells its products on an installment sales basis. Data for 1998 and 1999 follow:

(背面仍有題目,請繼續作答)

	1998	1999
Installment sales.....	\$200,000	\$240,000
Cost of goods sold on installment sales	140,000	180,000
Other expenses.....	30,000	40,000
Cash collected from 1998 sales.....	120,000	60,000
Cash collected from 1999 sales.....	-	160,000

Compute the net income for 1999 assuming use of the installment method of recognizing gross margin.

7. Able company, which uses the retail LIFO method to determine inventory cost, has provided the following information for 1998:

	Cost	Retail
Inventory, 1/1/98	\$ 68,400	\$120,000
Net purchases	378,000	582,000
Net markups		48,000
Net markdowns		30,000
Net sales		540,000

Assuming stable prices (no change in the price index during 1998), what is the cost of Able's inventory at December 31, 1998?

8. Using above information, assuming that the price index was 112.5 at December 31, 1998 and 100 at January 1, 1998, what is the cost of able's inventory at December 31, 1998 under the Dollar-Value-LIFO retail method?

9. The Lanark Company purchased a tooling machine on January 3, 1991 for \$420,000. The machine was being depreciated on the straight-line method over an estimated useful life of 10 years, with no salvage value. At the beginning of 1998 the company paid \$105,000 to overhaul the machine. As a result of this improvement, the company estimated that the useful life of the machine would be extended an additional 5 years (15 years total). What should be the depreciation expense recorded for the machine in 1998?

10. Kresley Co. has provided the following 1998 current account balances for the preparation of the annual statement of cash flows:

• Accounts receivable	\$ 10,000(increase)
• Allowance for Uncollectible accounts	6,000(decrease)
• Prepaid rent expense	2,000(increase)
• Accounts payable	1,000(decrease)
• Depreciation expense	2,000
• Bad debt	5,000
• Amortization of bond premium	1,000

Kresley's 1998 net income is \$20,000. Compute the amount that shows the net cash flow from operating activities.

二、On January 1, 1996, Inea Fishery sold \$150,000 (face value) of bonds. The bonds are dated January 1, 1996 and will mature on January 1, 2001. Interest is paid annually on December 31. The bonds are callable after December 31, 1998 at 101. Issue costs related to these bonds amounted to \$3,000, and these costs are being amortized by the straight-line method. The following amortization schedule was prepared by the accountant for the first 2 years of the life of the bonds:

Date	Cash	Interest	Amortization	Carrying Value of Bonds
1/1/96	-	-	-	\$139,186
12/31/96	\$15,000	?	\$1,702	?
12/31/97		?	?	?

Instructions : (18%)

On the basis of the information above, answer the following questions (round your answers to the nearest dollar or percent):

- What is the nominal or stated rate of interest for this bond issue?
- What is the effective or market rate of interest for this bond issue?
- Present the journal entry to record the sale of the bond issue, including the issue costs.
- Present the appropriate entry(ies) at December 31, 1998.
- Present the disclosure of this bond issue on the December 31, 1998, balance sheet. Proper balance sheet subheadings must be indicated.
- On June 30, 1999, \$100,000 of the bond issue was redeemed at the call price. Present the journal entry for this redemption. Amortization of the discount is recorded only at the end of the year.

三、賢賢公司民國 87 年度有應收帳款及備抵壞帳之資料如下:

- 公司曾於 87 年度沖銷無法收回之帳款 \$ 20,000，同年也曾收回已沖銷之壞帳 \$ 2,000
- 公司提列壞帳之政策考慮採應收帳款百分比法或除銷百分比法，惟已知前者之壞帳率估計為後者壞帳率之 3 倍
- 87 年初應收帳款之淨變現價值為 \$188,000
- 目前公司採應收帳款百分比法估計壞帳，若公司在 87 年底將壞帳方法改為除銷百分比法，則二法提列之備抵壞帳如下：

方法	調整前	調整後
應收帳款百分比法	\$ 6,000 借方	\$24,000 貸方
除銷百分比法	?	18,000 貸方

- 試作：
- 應收帳款百分比法下之壞帳率若干?
 - 依應收帳款百分比法提列壞帳之分錄為何?
 - 按除銷百分比法提列壞帳之分錄為何?
 - 87 年度應收帳款收現總數若干?(16%)

(背面仍有題目,請繼續作答)

- 四、明明公司於民國 86 年 4 月 1 日購入二部機器，總價 \$ 798,600，開立三張不付息票據，面值皆為 \$266,200，到期日分別是 87 年 4 月 1 日，88 年 4 月 1 日及 89 年 4 月 1 日，購入機器時發生安裝及試車支出每部 \$8,000 及運費每部 \$3,000，同時將原舊有之機器拆除並處分，拆除費用 \$5,000，將新機器置於舊機器位置。兩部新機器估計可用 5 年，無殘值，採年數合計法提折舊，87 年 10 月 1 日將其中一部出售，得款 \$200,000，公平利率為 10%。
- 試作：(1)86 年 4 月 1 日購入機器之分錄。
(2)86 年 12 月 31 日之折舊分錄。
(3)87 年 10 月 1 日出售機器之分錄。
(4)計算 87 年度之折舊費用及利息費用。(16%)

- 五、The board of directors of Western Fixtures Company is considering several strategies for the upcoming annual dividend. Alice Hemming, the treasurer of the company, has been asked to explain to the board of directors the advantages and disadvantages of each strategy. The four strategies are :

- (a) Declare the normal cash dividend of \$1.00 per share.
- (b) Declare a 2% stock dividend on the outstanding common stock.
- (c) Declare a 40% stock dividend on the outstanding common stock.
- (d) Split the stock, 2 for 1, and declare a \$.50 per share dividend on the new outstanding shares.

Western had 100,000 shares of \$2.50 par value common stock outstanding. The market price of the common stock is \$50 per share.

Instructions : (10%)

- (1) Provide the information needed by the board of directors. Be sure to identify the amount to be charged to retained earnings for each method.
- (2) The chairman of the board discovers that the amount charged to retained earnings is the same under each alternative and therefore concludes that the methods are identical in terms of economic effect on the firm. Respond to this observation.

- 六、福福公司民國 87 年 6 月 30 日之公司帳上「現金」餘額為 \$16,940，銀行對帳單之餘額為 \$16,020，另外其他相關資料顯示如下：
未兌現支票 \$4,400 (含保付支票 \$40)，在途存款 \$3,120，銀行代收票據 \$2,000，銀行代付水電費 \$400，客票退票 \$2,160，本公司存入客票忘記背書退回 \$1,000，本公司支票印鑑不全退回 \$600，本公司報備請求止付，銀行誤付 \$1,200。
- 試作：為福福公司編製 87 年 6 月 30 日之銀行存款調節表。(10%)