東吳大學 114 學年度碩士班招生考試試題

系級	會計學系碩士班	考試時間	100 分鐘
科目	中級會計學	本科總分	100 分

※一律作答於答案卷上(題上作答不予計分)；並務必標明題號，依序作答。
※請以英文正楷作答
※計算題須列示計算過程；除題目另有規定外，最終答案四捨五入至整數位。

一、 選擇題 (50%)

1. Which of the following is not a major challenge facing the accounting profession?
   a. Nonfinancial measurements.
   b. Timeliness.
   c. Accounting for hard assets.
   d. Forward-looking information.
2. The quality of information that means the numbers and descriptions match what really existed or happened is
   a. relevance.
   b. faithful representation.
   c. completeness.
   d. neutrality.
3. What is the quality of information that is capable of making a difference in a decision?
   a. Faithful representation.
   b. Materiality.
   c. Timeliness.
   d. Relevance.
4. When information about two different enterprises has been prepared and presented in a similar manner, the information exhibits the characteristic of
   a. verifiability.
   b. faithful representation.
   c. confirmatory value.
   d. comparability.
5. During 20X5 the TSLA Company had a net income of $200,000. In addition, selected accounts showed the following changes:

Accounts Receivable	12,000 increase
Accounts Payable	4,000 increase
Buildings	16,000 decrease
Depreciation Expense	6,000 increase
Bonds Payable	32,000 increase

   What was the amount of cash provided by operating activities?
   a. $198,000　b. $200,000
   c. $206,000　d. $238,000

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6. PLTR Inc. factors €2,000,000 of its accounts receivables without guarantee (recourse) for a finance charge of 5%. The finance company retains an amount equal to 10% of the accounts receivable for possible adjustments. What would be recorded by PLTR Inc. as a gain (loss) on the transfer of receivables?
   a. Loss of €100,000
   b. Gain of €100,000
   c. Loss of €300,000
   d. Loss of €200,000
7. Bank overdrafts generally should be
   a. reported as a deduction from the current asset section.
   b. reported as an interest-free loan.
   c. netted against cash and a net cash amount reported.
   d. reported as a current liability.
8. If the beginning inventory for 20X1 is overstated, the effects of this error on cost of goods sold for 20X1, net income for 20X1, and assets on December 31, 20X2, respectively, are
   a. overstatement, understatement, overstatement.
   b. overstatement, understatement, no effect.
   c. understatement, overstatement, overstatement.
   d. understatement, overstatement, no effect.
9. Which of the following non-monetary exchange transactions has commercial substance?
   a. Exchange of assets with no difference in future cash flows.
   b. Exchange of products by companies in the same line of business with no difference in future cash flows.
   c. Exchange of assets with a difference in future cash flows.
   d. Exchange of an equivalent interest in similar productive assets that causes the companies involved to remain in essentially the same economic position.
10. Cloud Corporation owns machinery with a book value of €190,000. The machinery has a fair value less costs to sell of €175,000, and its value-in-use is €170,000. Cloud should recognize a loss on impairment of
    a. €-0-. b. €5,000.
    c. €15,000. d. €20,000.

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11. The general ledger of Lance Corporation as of December 31, 2024, includes the following accounts:

Copyrights	£ 30,000
Bond sinking fund	70,000
Excess of cost over fair value of identifiable net assets of acquired subsidiary	390,000
Deposits with advertising agency (will be used to promote goodwill)	27,000
Trademarks	120,000

In the preparation of Lance's statement of financial position as of December 31, 2024, what should be reported as total intangible assets?

a. £510,000. b. £537,000.
c. £540,000. d. £537,000.

12. Shopline Corporation incurred the following costs in 2024:

Acquisition of R&D equipment with a useful life of 4 years in R&D projects	€ 500,000
Start-up costs incurred when opening a new plant	140,000
Advertising expense to introduce a new product	700,000
Engineering costs incurred to advance a product to full production stage (economic viability not achieved)	400,000

What amount should Shopline record as research & development expense in 2024?

a. € 525,000 b. € 640,000
c. € 900,000 d. € 1,040,000

13. What condition is necessary to recognize an environmental liability?
a. Company has an existing legal obligation and can reasonably estimate the amount of the liability.
b. Company can reasonably estimate the amount of the liability.
c. Company has an existing legal obligation.
d. Obligation event has occurred.

14. Which of the following would be included in the Lease Receivable account?
I. Guaranteed residual value.
II. Unguaranteed residual value.
III. Rental payments.
a. I and III only.
b. II and III only.
c. I and II only.
d. I, II, and III.

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15. On January 1, 20X2, Edward Corporation signed a five-year noncancelable lease for equipment. The terms of the lease called for Edward to make annual payments of €200,000 at the beginning of each year for five years beginning on January 1, 20X2, with the title passing to Edward at the end of this period. The equipment has an estimated useful life of 7 years and no salvage value. Edward uses the straight-line method of depreciation for all of its fixed assets. Edward accordingly accounts for this lease transaction as a finance lease. The minimum lease payments were determined to have a present value of €833,972 at an effective interest rate of 10%.
    In 20X2, Edward should record interest expense of
    a. €63,397. b. €116,604.
    c. €83,396. d. €136,604.
16. Which of the following statements is correct?
    a. Changes in accounting policy are always handled in the current or prospective period.
    b. Prior statements should be restated for changes in accounting estimates.
    c. A change in periods benefited by deferred costs should be handled as a change in accounting estimate.
    d. Correction of an error related to a prior period should be considered as an adjustment to current year net income.
17. A feature common to both share splits and share dividends is
    a. a transfer to earned capital of a corporation.
    b. that there is no effect on total equity.
    c. an increase in total liabilities of a corporation.
    d. a reduction in the contributed capital of a corporation.
18. Tino Company acquired 6,000 shares of its own ordinary shares at €20 per share on February 5, 20X1 and sold 3,000 of these shares at €27 per share on August 9, 20X2. The fair value of Tino's ordinary shares was €24 per share at December 31, 20X1, and €25 per share at December 31, 20X2. The cost method is used to record treasury shares transactions. What account(s) should Tino credit in 20X2 to record the sale of 3,000 shares?
    a. Treasury Shares for €81,000.
    b. Treasury Shares for €60,000 and Share Premium—Treasury for €21,000.
    c. Treasury Shares for €60,000 and Retained Earnings for €21,000.
    d. Treasury Shares for €72,000 and Retained Earnings for €9,000.
19. At December 31, 20X1, the following balances existed on the books of MTK Corporation:

Bonds Payable	€	1,840,000
Interest Payable		50,000

    If the bonds are retired on January 1, 20X2, for €2,040,000, what will MTK report as a loss on extinguishment?
    a. €250,000 b. €200,000
    c. €150,000 d. €100,000

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20. Bonds that pay **no** interest unless the issuing company is profitable are called
    a. collateral trust bonds.
    b. debenture bonds.
    c. revenue bonds.
    d. income bonds.
21. In order to retain certain key executives, Mitty Corporation granted them incentive share options on December 31, 20X1. 80,000 options were granted at an option price of £35
    per share. Market prices of the shares were as follows:

    December 31, 20X2 £ 46 per share
    December 31, 20X3 51 per share

    The options were granted as compensation for executives' services to be rendered over a two-year period beginning January 1, 20X2. The Black-Scholes option pricing model determines total compensation expense to be £800,000. What amount of compensation expense should Mitty recognize as a result of this plan for the year ended December 31, 20X2, under the fair value method?
    a. £1,400,000. b. £880,000.
    c. £800,000. d. £400,000.
22. On June 30, 20X2, Westbrook Corporation issued restricted shares to its president for 30,000 shares of its €20 par value ordinary shares. On June 30, 20X2, Westbrook's shares have a fair value of €36 per share. The service period related to the restricted shares is five years and vesting occurs if the president stays with the company for a five-year period. Westbrook's president resigns from the company on December 31, 20X4, before compensation expense is recorded. The journal entry at December 31, 20X4 will include
    a. A credit to Share Capital—Ordinary for €600,000.
    b. A debit to Compensation Expense for €324,000.
    c. A credit to Unearned Compensation for €756,000.
    d. A debit to Share Premium—Ordinary for €480,000.
23. Under the equity method of accounting for investments, an investor recognizes its share of the earnings in the period in which the
    a. investor sells the investment.
    b. investee declares a dividend.
    c. investee pays a dividend.
    d. earnings are reported by the investee in its financial statements.

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24. On August 5, 20X1, Famous Furniture shipped 40 dining sets on consignment to Furniture Outlet, Inc. The cost of each dining set was €350 each. The cost of shipping the dining sets amounted to €3,600 and was paid for by Famous Furniture. On December 30, 20X1, the consignee reported the sale of 30 dining sets at €850 each. The consignee remitted payment for the amount due after deducting a 6% commission, advertising expense of €600, and installation and setup costs of €780. The amount cash received by Famous furniture is
    a. €25,500 b. €23,970
    c. €22,590 d. €23,370
25. When multiple performance obligations exist in a contract, they should be accounted for as a single performance obligation when
    a. each service is interdependent and interrelated.
    b. all performance obligations are distinct but interdependent.
    c. the product is distinct within the contract.
    d. determination cannot be made.

二、 計算題 (50%)

1. (8%) Alpha Equipment Company sells computers for €1,500 each and also gives each customer a 2-year warranty that requires the company to perform periodic services and to replace defective parts. During 20X1, the company sold 700 computers. Based on past experience, the company has estimated the total 2-year warranty costs as €30 for parts and €60 for labor. (Assume sales all occur at December 31, 20X1.) Alpha estimates that the warranty costs will be incurred evenly over the 2-year time period.
   In 20X2, Alpha incurred actual warranty costs relative to 20X1 computer sales of €10,000 for parts and $18,000 for labor.
   <u>Instructions</u>
   a. Under an assurance-type warranty, prepare the entries to reflect the above transactions (accrual method) for 20X1 and 20X2.
   b. The transactions of part (a) create what balance under current liabilities in the 20X1 statement of financial position?
2. (8%) The equity of Beta Company on December 31, 20X2 is presented below:

Share Capital—Preference, 5%—€10 par value, outstanding 50,000 shares	€ 500,000
Share Capital—Ordinary—€10 par value, outstanding 150,000 shares	1,500,000
Retained Earnings	2,000,000

   <u>Instructions</u>
   Assuming that the directors decide to declare total dividends in the amount of €550,000, determine how much each class of shares should receive under each of the conditions stated below. two year's dividends are in arrears on the preference shares.
   a. The preference shares are cumulative and fully participating.
   b. The preference shares are non-cumulative and are participating in distributions in excess of a 12% dividend rate on the ordinary shares.

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3. (6%) Cindy Corp. received a grant from the government of £360,000 to acquire £1,000,000 of delivery equipment on January 2, 20X1. The delivery equipment has a useful life of 4 years. Cindy Corp. uses the straight-line method of depreciation. The delivery equipment has a zero residual value.

Instructions

a. If Cindy Corp. reports the grant as a reduction of the asset, answer the following questions.

(1) What is the carrying amount of the delivery equipment at December 31, 20X1?

(2) What is the amount of depreciation expense related to the delivery equipment in 20X2?

(3) What is the amount of grant revenue reported in 20X1 on the income statement?

b. If Cindy Corp. reports the grant as deferred grant revenue, answer the following questions.

(1) What is the balance in the deferred grant revenue account at December 31, 20X1?

(2) What is the amount of depreciation expense related to the delivery equipment in 20X2?

(3) What is the amount of grant revenue reported in 20X1 on the income statement?

4. (12%) Delta Company sponsors a defined benefit pension plan. The following information related to the pension plan is available for 20X2 and 20X3 (no benefits were paid in either year).

	20X2	20X3
Plan assets (fair value), December 31	$617,000	$777,000
Defined benefit obligation, January 1	600,000	708,300
Pension asset/liability, January 1	120,000 Cr.	?
Actual return on plan assets	24,000	30,000
Service cost	70,000	80,000
Accumulated benefit obligation, December 31	500,000	550,000
Contributions (funding)	113,000	130,000
Discount (interest) rate	10%	10%

Instructions

a. Compute pension expense for 20X2 and 20X3.

b. Prepare the journal entries to record the pension expense and the company's funding of the pension plan for both years.

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5. **(8%)** The following information is available for Everest Corporation for 20X2.

1. Interest received on tax-exempt governmental bonds was $20,000.
2. Rent collected in advance on January 1, 20X2, totaled $63,000 for a 3-year period. Of this amount, $42,000 was reported as unearned at December 31 for book purposes.
3. Depreciation reported on the tax return exceeded depreciation reported on the income statement by $120,000. This difference will reverse in equal amounts of $30,000 over the years 20X3–20X6.
4. Fines incurred for pollution violations were $4,000. The fines cannot be recognized for tax purpose.
5. The tax rates are 40% for 20X2 and 35% for 20X3 and subsequent years.
6. No deferred taxes existed at the beginning of 20X2.
7. Income taxes of $400,000 are due per the tax return for 20X2.
8. Taxable income was $1,200,000 in 20X3.

<u>Instructions</u>

a. Compute taxable income for 20X2. Show your computations.
b. Compute pretax financial income for 20X2. Show your computations.
c. Prepare the journal entries to record income tax expense, deferred income taxes, and income taxes payable for 20X2 and 20X3.

6.The following are independent situations:

(1) (2%) Firestone Corporation lost most of its inventory in a fire in December just before the year-end physical inventory was taken. The company's books disclosed the following:

Beginning inventory: $180,000	Sales: $660,000
Purchases for the year: $460,000	Sales returns: $25,000
Purchase returns: $28,000	Percentage of Markup on cost: 25%

Merchandise with a selling price of $30,000 remained undamaged after the fire. Damaged merchandise with an original selling price of $15,000 had a net realizable value of $6,500.

<u>Instructions</u>

Compute the amount of the loss as a result of the fire, assuming that the company had no insurance coverage.

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(2) (6%) The records for the Clothing Department of Gravitas's Store are summarized below for the month of January.

Inventory, January 1: at retail $26,000; at cost $16,000
Purchases in January: at retail $148,000; at cost $82,500
Freight-in: $7,540
Purchase returns: at retail $4,000; at cost $2,700
Transfers-in from suburban branch: at retail $14,000; at cost $9,500
Markups : $13,000
Markup cancellations : $5,000
Markdowns : $10,000
Markdown cancellations: $6,000
Inventory losses due to normal breakage, etc.: at retail $500
Sales at retail (after employee discounts): $96,000
Sales returns: $2,300
Sales discount: $2,700
Abnormal shortage: at retail $6,000; at cost $3,100
Employee discounts granted: $1,200

Instructions

a. Compute the inventory for this department as of January 31, at retail prices.
b. Compute the ending inventory using conventional retail inventory method.