

本試題是否可以使用計算機：☒ 可使用，☐ 不可使用（請命題老師勾選）

考試日期：0302，節次：1

兩部份，共三頁，列示計算過程，清楚標示答案與題號。

第一部份，40%，每題 4 分。

1. Give an example to explain the importance of financial transparency from the perspectives of capital allocation, investors, and company employees.
2. Compute the cost of goods manufactured from the following information.

Factory overhead	\$ 700
Goods in process inventory, January 1	850
Raw material used	800
Finished goods inventory, December 31	1,600
Goods in process inventory, December 31	780
Direct labor	1,600
Finished goods inventory, January 1	1,400

3. On December 31, 2006, the Speed Company had no temporary differences that created deferred income taxes. On January 2, 2007, a new machine was purchased for \$300,000. Straight-line depreciation over a four-year life (no residual value) was used for financial accounting. Depreciation expense for tax purposes was \$120,000 in 2007, \$80,000 in 2008, \$60,000 in 2009, and \$40,000 in 2010. In each year, the income tax rate was 30% and Speed had no other items that created differences between pretax financial income and taxable income. Speed reported the following pretax financial income for 2007 through 2010:

2007	\$520,000
2008	\$650,000
2009	\$390,000
2010	\$780,000

What is the balance of deferred tax on December 31, 2009?

4. The ABC Company has a defined benefit pension plan for its employees. The following information pertains to the pension plan as of December 31, 2007:

Unrecognized prior service cost	\$ 375,000
Projected benefit obligation	1,620,000
Accumulated benefit obligation	1,260,000
Fair value of plan assets	1,050,000
Prepaid/accrued pension cost (asset)	60,000
Additional pension liability	0

What is the amount for the Additional Pension Liability account that should be credited on December 31, 2007?

5. On January 1, 2008, XYZ Company signed a lease agreement requiring six annual payments of \$300,000, beginning December 31, 2008. The lease qualifies as a capital lease. XYZ's incremental borrowing rate was 9% and the lessor's implicit rate, known by XYZ was 10%. The present value factors of an ordinary annuity of 1 for six periods for interest rates of 9% and 10% are 4.4859 and 4.3552, respectively.

Calculate the balance of the lease obligation on December 31, 2008, for financial reporting purposes after the lease payment.

(背面仍有題目,請繼續作答)

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6. ABC Company reported \$1,050,000 of net income for 2007. During the year, machinery costing \$150,000 and with accumulated depreciation of \$120,000 was sold at a loss of \$7,500. Land and machinery were purchased during the year for cash. Selected account information follows:

	2007	
	<u>December 31</u>	<u>January 1</u>
Land	\$600,000	\$480,000
Machinery	420,000	375,000
Accumulated depreciation - machinery	105,000	180,000

Required:

Compute the net cash from investing activities.

7. ABC Co. purchased XYZ Corp. The agreed fair value of XYZ's net assets was \$1,200,000. The expected annual income for XYZ was \$75,000. The normal return for the industry was 6%. Excess earnings were capitalized at 10%. How much did ABC pay for XYZ?

8. On January 1, 2008, the Joy Company signed a six-month, non-interest-bearing note payable for \$300,000 and received \$240,000 from the William Bank. What amount should Joy have recorded for interest expense, and what is the net amount of the note, on January 31, 2008?

9. The Sarbanes-Oxley Act of 2002 established the Public Company Accounting Oversight Board (PCAOB). Which of the following purpose was the PCAOB intended for?

- To provide fair disclosure to all types of investors.
- To oversee the standards promulgated by the SEC related to public companies.
- To protect the interests of investors by overseeing auditors of public companies.
- To establish GAAP for use by public companies.

10. Use the following data from balance sheet to compute working capital:

Accounts payable	\$2,250
Inventory	6,750
Retained earnings	600
Accumulated depreciation	4,500
Cash	1,500
Serial bonds payable (\$200 matures each year)	12,000
Prepaid insurance	?
Allowance for doubtful accounts	300
Capital stock	7,500
Property, plant, and equipment	15,000
Accounts receivable (gross)	2,250
Accrued salaries	1,350

第二部份、計算與分錄，60%。

11. (15%) The California Company is delinquent on a \$1,200,000, 16% note plus \$128,000 accrued interest to the Well Fargo Bank. The note was due on April 1, 2008. On April 2, 2008, the Well Fargo Bank agrees to restructure the debt by forgiving the accrued interest, reducing the face value of the note to \$600,000, reducing the interest rate to 8%, and extending the maturity date to April 1, 2010. The interest is due each year on April 1.

Required:

Prepare the journal entries for the California Company to record the restructuring on April 2, 2008, and the payment of interest on April 1, 2009.

12. (20%) On January 2, 2008, the Green Mile Company entered into the following cash transactions:

- 1) Registered a patent. Research and development costs for the patent were \$100,000. Legal fees incurred in registration were \$17,000. Patent fee is amortized for 20 years.
- 2) Purchased a franchise with an unlimited life, with payment of a \$50,000 initial franchise fee and a \$10,000 operating fee.
- 3) Purchased laboratory equipment costing \$300,000. The equipment, with an estimated life of ten years and no residual value, will be used in a variety of research projects.
- 4) Purchased a patent from Blue Tex Company at a cost of \$80,000. The patent is believed to have an estimated useful life of 10 years.
- 5) Registered a trademark that was developed by Green Mile advertising department at a cost of \$22,000. Registration fees were \$1,000, and the legal fees incurred were \$3,000. The trademark is expected to last indefinitely.

Required:

Prepare journal entries to record each transaction, including appropriate amortization for the year. Unless a better alternative is indicated, amortize the intangibles over their legal lives.

13. (10%) On January 2, 2008, the Alberta Company acquired bonds with a face value of \$160,000 for \$152,000. The bonds carry a stated interest rate of 10% and an effective yield of 12%. Interest is payable on June 30 and December 31, the bonds mature on December 31, 2010, and they are classified as held to maturity.

Required:

Prepare the journal entries necessary to record the purchase of bonds and the first two interest receipts using the effective-interest method of amortization.

14. (15%). The Leonard Company had 60,000 shares of common stock outstanding on January 1 and issued an additional 18,000 on August 1 of the current year. The company also has \$200,000 of 8% convertible bonds outstanding during the year. Each \$2,000 bond is convertible into 5 shares of common stock. Leonard had after-tax net income for the year of \$320,000 and the tax rate was 30%.

Required:

Compute the basic and diluted earnings per share amount(s) to be reported on the Leonard Company's annual income statement.