

注意

- 1.本試題共一大題，每題 2.5 分，共 40 題，計 100 分。答錯不倒扣。
- 2.請將答案按試題題號，依序填入答案卡。

一、選擇題

1. On January 1, 2008, Jonsey Corporation purchased 30% of the common stock outstanding of Karsen Corporation for \$200,000. During 2008, Karsen Corporation reported net income of \$80,000 and paid cash dividends of \$40,000. The balance of the Stock Investments—Karsen account on the books of Jonsey Corporation at December 31, 2008 is
a. \$200,000. b. \$240,000. c. \$280,000. d. \$212,000.
2. In accounting for stock investments between 20% and 50%, the _____ method is used.
a. consolidated statements b. controlling interest
c. cost d. equity
3. If the cost of an available-for-sale security exceeds its fair value by \$40,000, the entry to recognize the loss
a. is not required since the share prices will likely rebound in the long run.
b. will show a debit to an expense account.
c. will show a credit to a contra-asset account that appears in the stockholders' equity section of the balance sheet.
d. will show a debit to an unrealized loss account that is deducted in the stockholders' equity section of the balance sheet.
4. The declaration of a stock dividend will
a. increase paid-in capital.
b. change the total of stockholders' equity.
c. increase total liabilities.
d. increase total assets.
5. Outstanding stock of the Bell Corporation included 20,000 shares of \$5 par common stock and 10,000 shares of 6%, \$10 par noncumulative preferred stock. In 2007, Bell declared and paid dividends of \$4,000. In 2008, Bell declared and paid dividends of \$12,000. How much of the 2008 dividend was distributed to preferred shareholders?
a. \$8,000 b. \$14,000
c. \$6,000 d. None of the above

6. The following selected amounts are available for Sanders Company.

Retained earnings (beginning)	\$1,000
Net loss	100
Cash dividends declared	100
Stock dividends declared	50

What is its ending retained earnings balance?

- a. \$850 b. \$900
c. \$750 d. \$800
7. Becker Company is a publicly held corporation whose \$1 par value stock is actively traded at \$20 per share. The company issued 2,000 shares of stock to acquire land recently advertised at \$50,000. When recording this transaction, Becker Company will
- a. debit Land for \$50,000.
b. credit Common Stock for \$40,000.
c. debit Land for \$40,000.
d. credit Paid-In Capital in Excess of Par Value for \$48,000.
8. New Corp. issues 1,000 shares of \$10 par value common stock at \$14 per share. When the transaction is recorded, credits are made to
- a. Common Stock \$10,000 and Paid-in Capital in Excess of Stated Value \$4,000.
b. Common Stock \$14,000.
c. Common Stock \$10,000 and Paid-in Capital in Excess of Par Value \$4,000.
d. Common Stock \$10,000 and Retained Earnings \$4,000.
9. Ephram Company has 2,000 shares of 5%, \$100 par non-cumulative preferred stock outstanding at December 31, 2008. No dividends have been paid on this stock for 2007 or 2008. Dividends in arrears at December 31, 2008 total
- a. \$0. b. \$1,000.
c. \$10,000. d. \$20,000.
10. Rancho Corporation sold 100 shares of treasury stock for \$40 per share. The cost for the shares was \$30. The entry to record the sale will include a
- a. credit to Gain on Sale of Treasury Stock for \$3,000.
b. credit to Paid-in Capital from Treasury Stock for \$1,000.
c. debit to Paid-in Capital in Excess of Par Value for \$1,000.
d. credit to Treasury Stock for \$4,000.

11. Partners Abel and Cain have capital balances in a partnership of \$40,000 and \$60,000, respectively. They agree to share profits and losses as follows:

	<u>Abel</u>	<u>Cain</u>
As salaries	\$10,000	\$12,000
As interest on capital at the beginning of the year	10%	10%
Remaining profits or losses	50%	50%

If income for the year was \$50,000, what will be the distribution of income to Cain?

- | | |
|-------------|-------------|
| a. \$23,000 | b. \$27,000 |
| c. \$20,000 | d. \$10,000 |

Use the following information for questions 12–13.

Coffey County Bank agrees to lend Adcock Brick Company \$200,000 on January 1. Adcock Brick Company signs a \$200,000, 8%, 9-month note.

12. The entry made by Adcock Brick Company on January 1 to record the proceeds and issuance of the note is

a. Interest Expense	12,000	
Cash	188,000	
Notes Payable		200,000
b. Cash	200,000	
Notes Payable		200,000
c. Cash	200,000	
Interest Expense	12,000	
Notes Payable		212,000
d. Cash	200,000	
Interest Expense	12,000	
Notes Payable		200,000
Interest Payable		12,000

13. What is the adjusting entry required if Adcock Brick Company prepares financial statements on June 30?

a. Interest Expense	8,000	
Interest Payable		8,000
b. Interest Expense	8,000	
Interest Receivable		8,000
c. Interest Payable	8,000	
Cash		8,000
d. Interest Payable	8,000	
Interest Expense		8,000

14. Unearned Rental Revenue is
- a contra account to Rental Revenue.
 - a revenue account.
 - reported as a current liability.
 - debited when rent is received in advance.
15. A company purchased land for \$90,000 cash. Real estate brokers' commission was \$5,000 and \$7,000 was spent for demolishing an old building on the land before construction of a new building could start. Under the cost principle, the cost of land would be recorded at
- \$97,000.
 - \$90,000.
 - \$95,000.
 - \$102,000.
16. A company purchased factory equipment on April 1, 2008 for \$64,000. It is estimated that the equipment will have an \$8,000 salvage value at the end of its 10-year useful life. Using the straight-line method of depreciation, the amount to be recorded as depreciation expense at December 31, 2008 is
- \$6,400.
 - \$5,600.
 - \$4,200.
 - \$4,800.
17. A company purchased office equipment for \$40,000 and estimated a salvage value of \$8,000 at the end of its 5-year useful life. The constant percentage to be applied against book value each year if the double-declining-balance method is used is
- 20%.
 - 25%.
 - 40%.
 - 4%.
18. The cost of successfully defending a patent in an infringement suit should be
- charged to Legal Expenses.
 - deducted from the book value of the patent.
 - added to the cost of the patent.
 - recognized as a loss in the current period.
19. An asset that cannot be sold individually in the market place is
- a patent.
 - goodwill.
 - a copyright.
 - a trade name.
20. If a company fails to record estimated bad debts expense,
- cash realizable value is understated.
 - expenses are understated.
 - revenues are understated.
 - receivables are understated.

21. Long Company uses the percentage of sales method for recording bad debts expense. For the year, cash sales are \$500,000 and credit sales are \$2,000,000. Management estimates that 1% is the sales percentage to use. What adjusting entry will Long Company make to record the bad debts expense?

- | | | |
|---------------------------------------|--------|--------|
| a. Bad Debts Expense | 25,000 | |
| Allowance for Doubtful Accounts | | 25,000 |
| b. Bad Debts Expense | 20,000 | |
| Allowance for Doubtful Accounts | | 20,000 |
| c. Bad Debts Expense | 20,000 | |
| Accounts Receivable | | 20,000 |
| d. Bad Debts Expense | 25,000 | |
| Accounts Receivable | | 25,000 |

22. Using the percentage of receivables method for recording bad debts expense, estimated uncollectible accounts are \$10,000. If the balance of the Allowance for Doubtful Accounts is \$2,000 debit before adjustment, what is the balance of the Allowance for Doubtful Accounts after adjustment?

- | | |
|-------------|-------------|
| a. \$10,000 | b. \$12,000 |
| c. \$8,000 | d. \$2,000 |

23. The maturity value of a \$30,000, 8%, 3-month note receivable is

- | | |
|--------------|--------------|
| a. \$30,600. | b. \$30,240. |
| c. \$32,400. | d. \$30,200. |

24. A \$100 petty cash fund has cash of \$18 and receipts of \$86. The journal entry to replenish the account would include a

- | | |
|---|-----------------------------------|
| a. debit to Cash for \$86. | b. credit to Petty Cash for \$86. |
| c. credit to Cash Over and Short for \$4. | d. credit to Cash for \$86. |

25. Wilson Company gathered the following reconciling information in preparing its August bank reconciliation:

Cash balance per books, 8/31	\$7,000
Deposits in transit	300
Notes receivable and interest collected by bank	1,700
Bank charge for check printing	40
Outstanding checks	4,000
NSF check	340

The adjusted cash balance per books on August 31 is

- | | |
|-------------|-------------|
| a. \$8,320. | b. \$8,020. |
| c. \$4,620. | d. \$4,920. |

26. In the month of November, Joles Company Inc. wrote checks in the amount of \$9,250. In December, checks in the amount of \$12,658 were written. In November, \$8,468 of these checks were presented to the bank for payment, and \$10,883 were presented in December. What is the amount of outstanding checks at the end of November?
- a. \$1,775 b. \$782
c. \$2,557 d. \$3,550

Use the following information for questions 27–28.

Tier II Company uses a periodic inventory system. Details for the inventory account for the month of January, 2008 are as follows:

	<u>Units</u>	<u>Per unit price</u>	<u>Total</u>
Balance, 1/1/08	200	\$5.00	\$1,000
Purchase, 1/15/08	100	5.30	530
Purchase, 1/28/08	100	5.50	550

An end of the month (1/31/08) inventory showed that 120 units were on hand.

27. If the company uses FIFO, what is the value of the ending inventory?
- a. \$520 b. \$600
c. \$656 d. \$1,424
28. If the company uses FIFO and sells the units for \$10 each, what is the gross profit for the month?
- a. \$1,376 b. \$1,424
c. \$2,800 d. \$3,000
29. A buyer would record a payment within the discount period under a perpetual inventory system by crediting
- a. Accounts Payable. b. Merchandise Inventory.
c. Purchase Discounts. d. Sales Discounts.
30. Flynn Company purchased merchandise inventory with an invoice price of \$5,000 and credit terms of 2/10, n/30. What is the net cost of the goods if Flynn Company pays within the discount period?
- a. \$5,000 b. \$4,900
c. \$4,500 d. \$4,600

Use the following information for questions 31–33.

During 2008, Salon Enterprises generated revenues of \$60,000. The company's expenses were as follows: cost of goods sold of \$30,000, operating expenses of \$12,000 and a loss on the sale of equipment of \$2,000.

31. Salon's gross profit is
- a. \$60,000.
 - b. \$30,000.
 - c. \$18,000.
 - d. \$16,000.
32. Salon's income from operations is
- a. \$60,000.
 - b. \$30,000.
 - c. \$18,000.
 - d. \$12,000.
33. Salon's net income is
- a. \$60,000.
 - b. \$30,000.
 - c. \$18,000.
 - d. \$16,000.
34. In preparing closing entries
- a. each revenue account will be credited.
 - b. each expense account will be credited.
 - c. the owner's capital account will be debited if there is net income for the period.
 - d. the owner's drawing account will be debited.
35. Quirk Company purchased office supplies costing \$6,000 and debited Office Supplies for the full amount. At the end of the accounting period, a physical count of office supplies revealed \$2,400 still on hand. The appropriate adjusting journal entry to be made at the end of the period would be
- a. Debit Office Supplies Expense, \$2,400; Credit Office Supplies, \$2,400.
 - b. Debit Office Supplies, \$3,600; Credit Office Supplies Expense, \$3,600.
 - c. Debit Office Supplies Expense, \$3,600; Credit Office Supplies, \$3,600.
 - d. Debit Office Supplies, \$2,400; Credit Office Supplies Expense, \$2,400.
36. Baden Realty Company received a check for \$18,000 on July 1 which represents a 6 month advance payment of rent on a building it rents to a client. Unearned Rent was credited for the full \$18,000. Financial statements will be prepared on July 31. Baden Realty should make the following adjusting entry on July 31:
- a. Debit Unearned Rent, \$3,000; Credit Rental Revenue, \$3,000.
 - b. Debit Rental Revenue, \$3,000; Credit Unearned Rent, \$3,000.
 - c. Debit Unearned Rent, \$18,000; Credit Rental Revenue, \$18,000.
 - d. Debit Cash, \$18,000; Credit Rental Revenue, \$18,000.

37. At December 31, 2008, before any year-end adjustments, Karr Company's Insurance Expense account had a balance of \$1,450 and its Prepaid Insurance account had a balance of \$3,800. It was determined that \$3,000 of the Prepaid Insurance had expired. The adjusted balance for Insurance Expense for the year would be
- a. \$3,000.
 - b. \$1,450.
 - c. \$4,450.
 - d. \$2,250.
38. Meyer Company reported net income of \$50,000 for the year. During the year, accounts receivable increased by \$7,000, accounts payable decreased by \$3,000 and depreciation expense of \$5,000 was recorded. Net cash provided by operating activities for the year is
- a. \$45,000.
 - b. \$65,000.
 - c. \$49,000.
 - d. \$50,000.

Use the following information for questions 39–40.

Joy Elle's Vegetable Market had the following transactions during 2008:

1. Issued \$25,000 of par value common stock for cash.
 2. Repaid a 6 year note payable in the amount of \$11,000.
 3. Acquired land by issuing common stock of par value \$50,000.
 4. Declared and paid a cash dividend of \$1,000.
 5. Sold a long-term investment (cost \$3,000) for cash of \$3,000.
 6. Acquired an investment in IBM stock for cash of \$6,000.
39. What is the net cash provided by financing activities?
- a. \$13,000
 - b. \$25,000
 - c. \$14,000
 - d. \$9,000
40. What is the net cash provided by investing activities?
- a. \$6,000
 - b. \$16,000
 - c. (\$3,000)
 - d. \$3,000