



1. Presented below is information related to Tainan Company.

	Cost	Retail
Beginning inventory	\$10,000	\$15,000
Purchases	35,000	55,000
Purchases returns	2,000	3,200
Purchases discounts	1,500	—
Gross sales (after employee discounts)	—	62,000
Sales returns	—	6,550
Markups	—	8,000
Markups cancellations	—	4,800
Markdowns	—	3,200
Markdowns cancellations	—	1,200
Freight-in	4,000	—
Employee discounts	—	1,000
Loss from breakage (normal shortage)	—	750

Tainan Company uses the conventional retail inventory method.

Instructions

- (a) Compute the cost-to-retail ratio.(4 分)
 (b) Compute the cost of the ending inventory.(4 分)

2. Taipei Company is constructing a building that qualifies for interest capitalization on January 1, 2010. The payments made by Taipei Company are shown in the schedule below.

Date	Amount
January 1, 2010	\$ 50,000
January 1, 2011	20,800
December 31, 2011	20,000
Total payments	<u>\$ 90,800</u>

To help finance construction, on January 1, 2010, Taipei Company issued a \$30,000, 3-year, 10% note payable at Golden National Bank, on which interest is payable each December 31. Other than the note to Golden National Bank, Taipei Company's only outstanding liability at December 31, 2011, is a \$50,000, 6%, 6-year note payable, dated January 1, 2008, on which interest is payable each December 31.

Instructions

- (a) Compute the amount of interest that should be capitalized in 2010.(3 分)
 (b) Compute the amount of interest that should be capitalized in 2011.(5 分)



3. On January 2, 2009, Taichung Company paid \$7,500,000 to acquire a machine. The machine had an estimated useful life of 5 years, with no residual value, at the date of acquisition. Taichung Company appropriately adopted straight-line method of depreciation for the machine. The following data is relevant to the machine :

	At December 31, 2010	At December 31, 2011
Value in use	\$4,000,000	\$3,500,000
Fair value less costs to sell	2,500,000	2,200,000

Instructions

- (a) Compute the depreciation expense of the machine for 2011.(3 分)
- (b) Prepare the journal entry to record the impairment loss or the recovery of impairment loss for 2011.(5 分)
4. Douliou Enterprises issued 75 \$1,000, convertible bonds on July 1, 2010, each convertible into 100 shares of common stock. The bonds were issued at face amount and pay interest quarterly at an annual rate of 8%. Income before income tax for Douliou Enterprises was \$10,000 for fiscal year ended December 31, 2011. Douliou Enterprises is subject to a 40% income tax rate. On January 1, 2011, 2,500 shares of common stock were outstanding. Assume that 25 of the 75 bonds were actually converted on July 1, 2011.

Instructions

- (a) Compute basic earnings per share for 2011.(3 分)
- (b) Compute diluted earnings per share for 2011.(5 分)
5. Yunline Construction Company obtained a contract to build an office building for a total contract price of \$9,000,000 on January 3, 2011. The office building was to be built at a total cost of \$8,000,000 and was scheduled for completion by December 1, 2013. Below are the data pertaining to the construction period.

	At December 31, 2011	At December 31, 2012	At December 31, 2013
Contract costs incurred to date	\$2,000,000	\$5,832,000	\$9,112,500
Estimated costs to complete	6,000,000	3,280,500	—
Progress billings to date	1,800,000	4,800,000	2,400,000
Cash collected to date	1,500,000	3,500,000	4,000,000

Instructions

- (a) Using the percentage-of-completion method, compute the estimated gross profit recognized



in the years 2011-2012.(6 分)

- (b) Prepare a partial balance sheet for December 31, 2012, showing the balances in the inventory accounts.(3 分)

6. Presented below are data taken from the records of Kaohsiung Company.

	December 31, 2011	December 31, 2010
Cash	\$ 12,000	\$ 18,000
Accounts receivable	124,000	98,000
Short-term investments (Available-for-sale)	70,000	36,000
Inventories	90,000	128,000
Patents	92,000	100,000
Equipment	308,000	260,000
Accumulated depreciation-equipment	70,000	50,000
Total assets	<u>\$626,000</u>	<u>\$590,000</u>
Accounts payable	\$ 92,000	\$ 84,000
Wages payable	16,000	8,000
Income taxes payable	8,000	12,000
Bonds payable	136,000	154,000
Capital stock, \$10 par	200,000	200,000
Additional paid-in capital	60,000	60,000
Retained earnings	114,000	72,000
Total liabilities and stockholders' equity	<u>\$626,000</u>	<u>\$590,000</u>

Additional information:

- (1) Net income as reported on the income statement for 2011 was \$54,000.
- (2) Equipment that cost \$60,000 and was 70% depreciated was sold during 2011 for \$22,000.
- (3) Cash dividends declared and paid totals \$12,000 during 2011. The payment of dividends was classified as the financing activity by Kaohsiung Company.
- (4) No unrealized gains or losses have occurred on the investments during 2011.

Instructions

- (a) Using the indirect method, compute the net cash flow from operating activities for 2011.(3 分)
- (b) Compute the net cash flow from investing activities for 2011.(3 分)
- (c) Compute the net cash flow from financing activities for 2011.(3 分)



7. The following facts pertain to a non-cancelable lease agreement between Faldo Leasing Company and Shigeki Company, a lessee.

Inception date:	January 1, 2010
Annual lease payment due at the beginning of each year, beginning with January 1, 2010	€ 124,798
Residual value of equipment at end of lease term, guaranteed by the lessee	€ 50,000
Lease term	6 years
Economic life of leased equipment	6 years
Fair value of asset at January 1, 2010	€ 600,000
Lessor's implicit rate	12%
Lessee's incremental borrowing rate	10%

The lessee assumes responsibility for all executory costs, which are expected to amount to €5,000 per year. The asset will revert to the lessor at the end of the lease term. The lessee has guaranteed the lessor a residual value of €50,000. The lessee uses the straight-line depreciation method for all equipment.

Instructions

Prepare all of the journal entries for the lessee for 2010 and 2011 to record the lease agreement, the lease payment, and all expenses related to this lease. Assume the lessee's annual accounting period ends on December 31. (15 分)

8. The following information has been obtained for the Gocker Corporation.
- (1) Prior to 2010, taxable income and pretax financial income were identical.
 - (2) Pretax financial income is \$1,700,000 in 2010 and \$1,400,000 in 2011.
 - (3) On January 1, 2010, equipment costing \$1,200,000 is purchased. It is to be depreciated on a straight-line basis over 5 years for tax purposes and over 8 years for financial reporting purposes. (Under applicable tax law, a half-year of tax depreciation is recorded in 2010 and 2015.)
 - (4) Interest of \$60,000 was earned on tax-exempt governmental obligations in 2011.
 - (5) Included in 2011 pretax financial income is a gain on discontinued operations of \$200,000, which is fully taxable.
 - (6) The tax rate is 30% for all periods.
 - (7) Taxable income is expected in all future years.



國立雲林科技大學

100 學年度碩士班暨碩士在職專班招生考試試題

系所：會計系

科目：財務會計學

Instructions

Prepare the journal entry to record 2011 income tax expense, income tax payable, and deferred taxes. (15 分)

9. Glesen Company sponsors a defined benefit pension plan for its employees. The following data relate to the operation of the plan for the years 2010 and 2011.

	<u>2010</u>	<u>2011</u>
Defined benefit obligation, January 1	\$ 650,000	
Plan assets (fair value) , January 1	410,000	
Pension asset/liability, January 1	80,000	Cr.
Unrecognized past service cost, January 1	160,000	
Service cost	40,000	\$ 59,000
Discount rate	9%	9%
Expected rate of return	10%	10%
Actual return on plan assets	36,000	61,000
Amortization of past service cost	70,000	55,000
Annual contributions	72,000	81,000
Benefits paid retirees	31,500	54,000
Increase in defined benefit obligation due to changes in actuarial assumptions	87,000	-0-
Average service life of all employees		20 years
Vested benefit obligation at December 31		464,000

Instructions

Compute the pension expenses for both years 2010 and 2011 using the corridor approach to amortize the unrecognized gain or loss. (20 分)



一、選擇題(共計 25 題，一題 2 分，合計 50 分)

1. The Standards of Ethical Conduct for management accountants includes concepts related to
 - a. competence, performance, integrity, and reporting.
 - b. competence, experience, reporting, and objectivity.
 - c. competence, confidentiality, integrity, and objectivity.
 - d. competence, confidentiality, reporting, and objectivity.

2. The determination of a cost as being either direct or indirect depends upon
 - a. the accounting system. b. the allocation system. c. the cost tracing system.
 - d. the cost object chosen to determine its individual costs.

3. AB Shop sells wedding dresses. Each dress's cost may be separated as follows: selling price of \$1,000 and variable costs of \$450. Fixed costs are \$80,000. How many dresses must AB Shop sell in order to yield after-tax net income of \$18,000, assuming the tax rate is 40%?
 - a. 200 dresses b. 170 dresses c. 150 dresses d. 145 dresses

Use the information below to answer the following 3 questions.

The RL Chair company manufactures a standard recliner. During February, the firm's Assembly Department started production of 65,000 chairs. During the month, the firm completed 70,000 chairs, and transferred them to the Finishing Department. The firm ended the month with 10,000 chairs in ending inventory. There were 15,000 chairs in beginning inventory. All direct materials costs are added at the beginning of the production cycle and conversion costs are added uniformly throughout the production process. The FIFO method of process costing is used by RL Chair. Beginning work in process was 40% complete as to conversion costs, while ending work in process was 80% complete as to conversion costs.

Beginning inventory:

Direct materials \$24,000	Conversion costs \$26,000
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Manufacturing costs added during the accounting period:

Direct materials \$104,000	Conversion costs \$288,000
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4. How many of the units that were started during February were completed during February?
 - a. 65,000 b. 60,000 c. 55,000 d. 45,000

5. What is the amount of direct materials cost assigned to ending work-in-process inventory at the end of February?
 - a. \$13,000 b. \$16,000 c. \$19,692 d. \$22,400

6. What is the cost of the goods transferred out during February?
 - a. \$308,000 b. \$394,000 c. \$442,000 d. \$456,015

Use the information below to answer the following 2 questions.

JB Company has two service department's Personnel and Maintenance. The Maintenance's Department costs of \$160,000 are allocated on the basis of standard hours used. The Personnel Department's costs of \$40,000 are allocated based on the



number of employees. Costs of Department A and B are \$80,000 and \$120,000, respectively.

Data on standard service hours and number of employees are as follows:

<u>Standard service</u>	<u>Maintenance Department</u>		<u>Personnel Department</u>		<u>Production Depts</u>	
	<u>Department</u>	<u>Department</u>	<u>Department</u>	<u>A</u>	<u>B</u>	
Hours used	400		400	480	320	
Number of Employees	20		20	80	240	

7. What is the cost of the Maintenance Department allocated to Department B using the step-down method if the service department with the highest percentage of interdepartmental support service is allocated first? (Rounded up)
 - a. \$32,000
 - b. \$42,667
 - c. \$57,334
 - d. \$64,000

8. What is the cost of the Maintenance Department allocated to Department B using the direct method?
 - a. \$48,000
 - b. \$64,000
 - c. \$78,000
 - d. \$96,000

Use the information below to answer the following 2 questions.

The Alpha Corporation manufactures flashlights and night lights. Management is attempting to set the budget for the coming year. Two divisions (flashlights and night lights) of the company utilize one plant location. The following data have been prepared for review.

Fixed operation costs	\$900,000
Available capacity	3,000 hours
Budgeted long-term usage:	
Flashlight Division	2,000 hours
Night light Division	500 hours
Budgeted variable cost per hour in the 2,000-hour to 2,500-hour relevant range	\$1,200 per hour

9. What is the cost per hour of use for the Flashlight and the Night Light Division if budgeted usage is the allocation base and a single-rate method is used.
 - a. \$360
 - b. \$1,200
 - c. \$1,560
 - d. \$1,650

10. What is the total fixed cost per year, and the total variable costs for the Flashlight Division, using the dual-rate method? Assume the allocation bases are budgeted usage for fixed costs and actual usage for variable costs if the Flashlight Division's actual usage was 1,800 hours.
 - a. \$720,000 and \$2,400,000
 - b. \$720,000 and \$2,160,000
 - c. \$600,000 and \$2,400,000
 - d. \$600,000 and \$2,160,000

Use the information below to answer the following 2 questions.

Ford Company uses a job-order cost system and had the following data available for 2011.

Direct materials purchased on account	\$74,000
Direct materials requisitioned	41,000
Direct-labor cost incurred	65,000
Factory overhead incurred	73,000
Cost of goods completed	146,000



Cost of goods sold	128,000
Beginning direct-materials inventory	13,000
Beginning WIP inventory	33,000
Beginning finished goods inventory	29,000
Overhead application rate (as a percent of direct-labor cost)	125%

11. The journal entry to record the materials placed into production would include a
 - a. debit to WIP Inventory for \$74,000.
 - b. debit to Direct-Materials Inventory for \$74,000.
 - c. credit to WIP Inventory for \$41,000.
 - d. credit to Direct-Materials Inventory for \$41,000.

12. The ending inventory of work in process is
 - a. \$66,000.
 - b. \$74,250.
 - c. \$212,000.
 - d. \$220,250.

13. _____ categorizes costs related to customers into different cost pools on the basis of either different classes of cost drivers or different degrees of difficulty in determining the cause-and-effect (or benefits received) relationships.
 - a. Customer-profitability analysis
 - b. Customer revenues
 - c. Customer-cost hierarchy
 - d. Price discounting

14. _____ means reporting and interpreting information that helps managers to focus on operating problems, imperfections, inefficiencies, and opportunities.
 - a. Scorekeeping
 - b. Attention-directing
 - c. Problem-solving
 - d. None of the above

Use the information below to answer the following 2 questions.

Ceylon Tea Products has an exclusive contract with British Distributors. Two brands of teas are imported, Calamine and Ceylon, and sold to retail outlets. The monthly budget for the contract is based on a combination of last year's performance, a forecast of general industry sales, and the company's expected share of the U.S. market for imported tea. The following information is provided for the month of May:

	Budgeted		Actual	
	<u>Calamine</u>	<u>Ceylon</u>	<u>Calamine</u>	<u>Ceylon</u>
Price per lb.	\$4.00	\$6.00	\$5.0	\$5.0
Variable cost per lb.	2.00	3.0	2.00	4.50
Cont. margin	<u>\$2.00</u>	<u>\$3.0</u>	<u>\$3.0</u>	<u>\$0.50</u>
Sales (in lbs.)	4,000	3,000	3,400	3,600

Budgeted fixed costs are \$3,500. Actual fixed costs are \$4,000.

15. What is the total flexible budget variance?
 - a. \$3,400 favorable
 - b. \$9,000 unfavorable
 - c. \$3,800 unfavorable
 - d. \$5,600 unfavorable

16. What is the total sales quantity variance?



- a. \$0 b. \$1,000 unfavorable c. \$200 favorable d. \$1,200 unfavorable
17. Gordon Company sells its only product for \$16 per unit. Gordon's variable production costs are \$5 per unit, while its selling and administrative costs are \$3 per unit. Finally, the fixed costs to produce 10,000 units were \$10,000. What is the contribution ratio?
a. 33.3 percent b. 44.4 percent c. 50.0 percent d. 66.7 percent.
18. In a process-costing system when goods move from department to department, the accounting for such transfers is relatively simple under
a. weighted-average costing. b. FIFO costing.
c. standard costing d. operations costing.
19. If total fixed costs are \$93,000, contribution margin per unit is \$7.50, and targeted after-tax net income is \$18,000 with a 40% tax rate, then the number of units which must be sold is
a. 11,440 units. b. 14,800 units. c. 16,400 units. d. 24,667 units.
20. Which of the following statements about sensitivity analysis is FALSE?
a. It shows the impact of a manager's behavior.
b. It can be used in CVP to show changes in operating income if variable costs per unit change.
c. It examines the relationship between a change in assumptions and the related result.
d. It is a technique which is used to answer "what if" questions.
21. Tom Black is going to sell Christmas tree lights for \$20 a box. The lights cost Tom \$5 a unit. He is planning to rent a booth at the upcoming Happy Holidays Convention. He has three options for attending the show:
1. paying a fixed fee of \$1,300,
2. paying a \$500 fee plus 10% of his revenue made at the convention, or
3. paying 20% of his revenue made at the convention.
What would the indifference point be between option 1 and option 2?
a. 500 units b. 400 units c. 300 units d. 200 units.
22. John wants to identify the total cost for computing the personal tax return he prepared for his client. Labor is the only direct cost at \$75 per hour. Indirect costs are \$40 per labor hour. What is the total direct cost, indirect cost, and job cost, respectively, if 8 hours are spent preparing the tax return?
a. \$400, \$750, \$1,150 b. \$320, \$600, \$920
c. \$600, \$320, \$920 d. \$75, \$40, \$115
23. Costs incurred in precluding the production of products that do not conform to specifications are
a. opportunity cost. b. prevention costs.
c. appraisal costs. d. internal failure costs.



24. The following information is for Bishop Corporation:
- | | |
|--------------------|---------|
| Product X: Revenue | \$10.00 |
| Variable Cost | \$2.50 |
| Product Y: Revenue | \$15.00 |
| Variable Cost | \$5.00 |
- Total fixed costs are \$75,000.
- What is the operating income, assuming actual sales are 150,000 units, and the sales mix is one unit of Product X and two units of Product Y?
- a. \$125,000 b. \$1,300,000 c. \$1,325,000 d. \$1,375,000
25. The Glass Shop, a manufacturer of large windows, is experiencing a bottleneck in its plant. Setup time at one of its workstations has been identified as the culprit. A manager has proposed a plan to reduce setup time at a cost of \$72,000. The change will result in 8,000 additional windows. The selling price per window is \$18, direct labor costs are \$3 per window, and the cost of direct materials is \$6 per window. Assume all units produced can be sold. The change will result in an increase in the throughput contribution of
- a. \$96,000. b. \$72,000. c. \$24,000. d. \$8,000.

二、問題與計算(三題，合計 50 分)

1. YunTech Company sells two items, product A and product B. The company is considering dropping product B. It is expected that sales of product A will increase by 40% as a result. Dropping product B will allow the company to cancel its monthly equipment rental costing \$100 per month. The other existing equipment will be used for additional production of product A. One employee earning \$200 per month can be terminated if product B production is dropped. YunTech's other fixed costs are allocated and will continue regardless of the decision made. A condensed, budgeted monthly income statement with both products follows:

	Product A	Product B	Total
Sales	\$10,000	\$ 8,000	\$18,000
Direct materials	2,500	2,000	4,500
Direct labor	2,000	1,200	3,200
Equipment rental	300	2,600	2,900
Other allocated overhead	1,000	2,300	3,300
Operating income	\$4,200	(\$ 100)	\$4,100

Required: Prepare an incremental analysis to determine the financial effect of dropping product B. (12分)

2. Different management levels in Yang, Inc. require varying degrees of managerial accounting information. Because of the need to comply with the managers' requests, four different variances for manufacturing overhead are computed each month. The information for the September overhead expenditures is as follows:



Budgeted output units	3,200 units
Budgeted fixed manufacturing overhead	\$20,000
Budgeted variable manufacturing overhead	\$5 per direct labor hour
Budgeted direct manufacturing labor hours	2 hours per unit
Fixed manufacturing costs incurred	\$25,000
Direct manufacturing labor hours used	7,200
Variable manufacturing costs incurred	\$36,600
Actual units manufactured	3,400

Required:

- Compute a 4-variance analysis for the plant controller. (8分)
- Compute a 3-variance analysis for the plant manager. (6分)
- Compute a 2-variance analysis for the corporate controller. (4分)

3. Big-Mouth Cookie Company manufactures and sells three flavors of cookies: Macaroon, Sugar, and Butter-cream. The batch size for the cookies is limited to 1,000 cookies based on the size of the ovens and cookie molds owned by the company. Based on budgetary projections, the information listed below is available:

	Macaroon	Sugar	Butter-cream
Projected sales in units	500,000	800,000	600,000
Per unit data:			
Selling price	\$0.80	\$0.75	\$0.60
Direct materials	\$0.20	\$0.15	\$0.14
Direct labor	\$0.04	\$0.02	\$0.02
Hours per 1000-unit batch:			
Direct labor hours	2	1	1
Oven hours	1	1	1
Packaging hours	0.5	0.5	0.5

Total overhead costs and activity levels for the year are estimated as follows:

Activity	Overhead costs	Activity levels
Direct labor		2,400 hours
Oven	\$210,000	1,900 oven hours
Packaging	\$150,000	950 packaging hours
	<u>\$360,000</u>	

Required:

- Determine the activity-cost-driver rate for packaging costs. (4分)
- Using the ABC system, for the sugar cookie:
 - Compute the estimated overhead costs per thousand cookies. (4分)
 - Compute the estimated operating profit per thousand cookies. (4分)
- Using a traditional system (with direct labor hours as the overhead allocation base), for the sugar cookie:
 - Compute the estimated overhead costs per thousand cookies. (4分)
 - Compute the estimated operating profit per thousand cookies. (4分)