

國立聯合大學 106 學年度

寒假轉學生招生考試試題紙

科目： 會計學 第 1 頁共 3 頁

一、(34%) The trial balance of Kasten Company contained the following information:

Sales Revenue	\$660,000	Cost of Goods Sold	\$456,000
Salaries and Wages Expense	55,000	Depreciation Expense	7,000
Sales Returns and Allowances	20,000	Freight-Out	2,000
Interest Expense	18,000	Sales Discounts	7,000
Interest Revenue	30,000	Advertising Expense	25,000
Utilities Expense	28,000	Loss on Disposal of Equipment	10,000

Instructions

1. Prepare an (multi-step) income statement for the year ended December 31, 2017.
2. Prepare the necessary closing entries for Kasten Company at December 31, 2017.

二、(21%) Zara Department Store is located near the Dar-Jin Shopping Mall. At the end of the company's calendar year on **December 31, 2017**, the following accounts appeared in two of its trial balances.

Accounts Payable	\$ 79,300	Patent	\$100,000
Accounts Receivable	50,300	Interest Payable	8,000
Accumulated Depr.—Building	52,500	Copyright	50,000
Accumulated Depr.—Equipment	42,900	Merchandise Inventory	74,000
Building	190,000	Mortgage Payable	80,000
Cash	23,800	Share Capital—Ordinary	116,600
Equipment	110,000	Prepaid Insurance	2,400
Commissions Payable	4,300	Bonds Payable	20,000
Investment on Stocks	80,000	Retained Earnings	?

Instructions

Prepare the classified statement of financial position.

三、選擇題(45%):

1. Assume the following cost of goods sold data for a company:

2018	\$1,704,000
2017	1,400,000
2016	1,200,000

If 2016 is the base year, what is the percentage increase in cost of goods sold from 2016 to 2018?

- a. 70% b. 42% c. 86% d. 117%

2. Silas Corporation had net income of \$240,000 and paid dividends to ordinary shareholders of \$40,000 in 2017. The weighted average number of shares outstanding in 2017 was 60,000 shares. Silas Corporation's ordinary shares are selling for \$76 per share on the New York Stock Exchange. Silas Corporation's price-earnings ratio is

- a. 3.2 times. b. 19 times. c. 22.8 times. d. 12.7 times.

3. Carter Company reports the following:

	<u>End of Year</u>	<u>Beginning of Year</u>
Inventory	\$25,000	\$40,000
Accounts Payable	30,000	10,000

If cost of goods sold for the year is \$280,000, the amount of cash paid to suppliers is

- a. \$285,000. b. \$275,000. c. \$245,000. d. \$313,000.

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4. If a company has an acid-test ratio of 1.2:1, what respective effects will the borrowing of cash by short-term debt and collection of accounts receivable have on the ratio?

	<u>Short-term Borrowing</u>	<u>Collection of Receivable</u>
a.	Increase	No effect
b.	Increase	Increase
c.	Decrease	No effect
d.	Decrease	Decrease

5. LF's Pest Control Products has the following information available:

Net Income	\$30,000
Cash Provided by Operations	40,000
Cash Sales	65,000
Capital Expenditures	11,000
Dividends Paid	3,000

What is LF's free cash flow?

- a. \$29,000 b. \$37,000 c. \$16,000 d. \$26,000
6. A company had net income of \$2,400,000. Depreciation expense is \$260,000. During the year, Accounts Receivable and Inventory increased \$150,000 and \$400,000, respectively. Prepaid Expenses and Accounts Payable decreased \$20,000 and \$40,000, respectively. There was also a loss on the sale of equipment of \$30,000. How much cash was provided by operating activities?
- a. \$2,120,000 b. \$2,060,000 c. \$3,080,000 d. \$2,960,000

7. Wing Company had the following transactions during 2016:

- Sales of \$72,000 on account
- Collected \$32,000 for services to be performed in 2017
- Paid \$10,000 cash in salaries
- Purchased airline tickets for \$4,000 in December for a trip to take place in 2017

What is wing's 2016 net income using accrual accounting?

- a. \$62,000. b. \$94,000. c. \$90,000. d. \$58,000.
8. What is the proper adjusting entry at June 30, the end of the fiscal year, based on a prepaid insurance account balance before adjustment, \$41,000, and unexpired amounts per analysis of policies of \$8,000?
- a. Debit Insurance Expense, \$8,000; Credit Prepaid Insurance, \$8,000.
b. Debit Insurance Expense, \$41,000; Credit Prepaid Insurance, \$41,000.
c. Debit Prepaid Insurance, \$33,000; Credit Insurance Expense, \$33,000.
d. Debit Insurance Expense, \$33,000; Credit Prepaid Insurance, \$33,000.

9. On January 1, 2017, Affleck Company reported equity of \$705,000. During the year, the company paid dividends of \$30,000. At December 31, 2017, the amount of equity was \$780,000. What amount of net income or net loss would the company report for 2017?
- a. Net income of \$75,000
b. Net loss of \$105,000
c. Net income of \$45,000
d. Net income of \$105,000

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10. The cash account shows a balance of \$68,000 before reconciliation. The bank statement does not include a deposit of \$4,600 made on the last day of the month. The bank statement shows a collection by the bank of \$1,880 and a customer's check for \$640 was returned because it was NSF. A customer's check for \$790 was recorded on the books as \$970, and a check written for \$159 was recorded as \$195. The correct balance in the cash account was

- a. \$69,024. b. \$69,096. c. \$69,456. d. \$73,696.

11. The petty cash fund of \$400 for the Hansen Company appeared as follows on July 31, 2017:

Cash	\$15
Petty cash vouchers	
Freight-in	\$77
Postage	90
Balloons for a special occasion	54
Client entertainment	130

On July 31, the office manager gives instruction to increase the petty cash fund to \$600.

The journal entry to replenish the petty cash fund would include a

- a. debit to Petty Cash for \$400.
b. credit to Cash Over and Short for \$34.
c. credit to Cash for \$385.
d. debit to Accounts Receivable for \$34.

12. ABC Company accepted a national credit card for a \$12,500 purchase. The cost of the goods sold is \$10,000. The credit card company charges a 3% fee. What is the impact of this transaction on net operating income?

- a. Increase by \$2,125 b. Increase by \$2,500 c. Increase by \$2,425 d. Increase by \$12,125

13. Gowns, Inc. uses the percentage of sales basis to estimate its bad debts. For the year ended December 31, 2017, Gowns' total credit sales are \$2,500,000. Management of the company estimates that 1% of credit sales will become uncollectible. The existing balance in the Allowances for Doubtful Accounts is a credit balance of \$3,000. The Accounts Receivable balance at December 31, 2017 is \$220,000. The cash realizable value of Accounts Receivable reported on the statement of financial position at December 31, 2017 is

- a. \$192,000. b. \$198,000. c. \$195,000. d. \$242,000.

14. Robin Company acquires a piece of land on which it intends to build a factory to produce its primary product. The land is listed for sale at \$460,000, but Robin Company's real estate broker is able to negotiate a sales price of \$430,000. The land contains an old office building that is razed at a cost of \$25,000 (\$29,000 in costs less \$4,000 proceeds from salvaged materials). Robin Company pays a commission to the real estate broker of \$23,000 and an attorney's fee of \$6,000. On its statement of financial position at December 31, 2014, what amount will Robin Company record as the cost of the land?

- a. \$499,000 b. \$455,000 c. \$484,000 d. \$524,000

15. On December 1, 2016, the Board of directors of Dew Laurintis Company declared an \$.80 per share dividend payable on January 3, 2017 to shareholders of record on December 16. The company had 500,000 shares authorized and 225,000 shares issued and outstanding.

The journal entry made on December 1, 2016 will

- a. reduce assets by \$180,000.
b. reduce equity by \$180,000.
c. increase expenses by \$400,000.
d. increase liabilities by \$400,000.