اعلان

اولا: اسف لعدم حضور محاضرة يوم الاحد 8-9 صباحا وذلك بسب تعطل سيارتي. على كل حال

المادة الداخلة في الامتحان النهائي :

*Chapter 14: Bonds*

*Chapter 15: shares*

*Chapter 16: EPS*

*Chapter 17: Equity investments*

مرفق (سؤال محلول) على

Chapter 17

Korman Company has the following securities in its portfolio of trading equity investments on December 31, 2010:

 Cost Fair value

5,000 ordinary shares of Thomas Corp. $155,000 $139,000

10,000 ordinary shares of Gant 182,000 190,000

 $337,000 $329,000

All of the investments had been purchased in 2010. In 2011, Korman completed the following investments transactions:

March 1 Sold 5,000 ordinary shares of Thomas Corp., at $30.

April 1 Bought 600 ordinary shares of Werth Stores, at $45.

The Korman Company portfolio of trading equity investments appeared as follows on December 31, 2011:

 Cost Fair Value

10,000 ordinary shares of Gant $182,000 $195,500

600 ordinary shares of Werth Stores 27,000 25,500

 $209,000 $221,000

**Instructions**

Prepare the general journal entries for Korman Company for:

(a) The Dec 31, 2010 adjusting entry.

(b) The sale of the Thomas Corp. shares on March 1, 2011.

(c) The purchase of the Werth Stores' shares on April 1, 2011.

(d) The Dec 31, 2011 adjusting entry.

##### Solution الحل

(a) 12-31-10

 Unrealized Holding Gain or Loss—Income 8,000

 Securities Fair Value Adjustment 8,000

 ($337,000 – $329,000)

(b) 3-1-11

 Cash [(5,000 ´ $30) 150,000

 Loss on Sale of Equity Investment 5,000

 Equity Investment ……………….. 155,000

(c) 4-1-11

 Equity Investment 27,00

 Cash [(600 ´ $45) 27,000

(d) 12-31-11

 Securities Fair Value Adjustment 20,000

 Unrealized Holding Gain or Loss—Income 20,000