**Financial Accounting *Homework 9***

*Ren Kai 2401212437*

**P 9-1 A**

|  |  |  |  |
| --- | --- | --- | --- |
| **Item** | **Land** | **Buildings** | **Other Accounts** |
| 1. | $280,000 |  |  |
| 2. |  |  | $ 6,800 (Land improvement) |
| 3. | 31,000 |  |  |
| 4. |  | $23,000 |  |
| 5. | 3,170 |  |  |
| 6. |  |  | 29,000 (Land improvement) |
| 7. |  | 33,000 |  |
| 8. |  |  | 6,400 (Property Tax Exp) |
| 9. |  | 640,000 |  |
| 10. | (12,000) |  |  |
|  | $302,170 | $696,000 |  |

**P 9-2 A**

***(a) Answer:***

Apr.1 Dr. Land 2,200,000

Cr. Cash 2,200,000

May. 1 Dr. Depreciation Exp (600,000 - 0)/10\*4/12=20,000

Cr. Accumulated Depreciation Equipment 20,000

1 Dr. Accumulated Depreciation Equipment 440,000

Cash 170,000

Cr. Equipment 600,000

Gain on disposal of plant Assets 10,000

June. 1 Dr. Cash 1,600,000

Cr. Land 1,000,000

Gain on disposal of plant Assets 600,000

July 1. Dr. Equipment 1,100,000

Cr. Cash 1,100,000

Dec. 31 Dr. Depreciation Exp 70,000

Cr. Accumulated Depreciation Equipment 70,000

Dr. Accumulated Depreciation Equipment 700,000

Cr. Equipment 700,000

***(b) Answer:***

Dr. Dep Exp 662,500

Cr. A.D. Buildings 662,500

Dr. Dep Exp 3,925,000 (2 Parts)

Cr. A.D. Equipment 3,925,000

***(c) Answer:***

The T accounts should be:

|  |  |
| --- | --- |
| **Land** | |
| $3,000,000  2,200,000 | 1,000,000 |
| Bal. **$ 4,200,000** |  |

|  |  |
| --- | --- |
| **Buildings** | |
| $26,500,000 |  |
| **26,500,000** |  |

|  |  |
| --- | --- |
| **Equipment** | |
| $40,000,000  1,100,000 | 600,000  700,000 |
| **Bal. 39,800,000** |  |

|  |  |
| --- | --- |
| **A.D. Buildings** | |
|  | 11,925,000  662,500 |
|  | **Bal. 12,587,500** |

|  |  |
| --- | --- |
| **A.D. Equipment** | |
| 440,000  700,000 | 5,000,000  20,000  70,000  3,925,000 |
|  | **Bal. 7,875,000** |

**Balance Sheet Dec 31, 2013**

|  |  |  |
| --- | --- | --- |
| **Plants Assets:** |  |  |
| Land |  | $4,200,000 |
| Buildings | $26,500,000 |  |
| Less: A.D. Buildings | 12,587,500 | 13,912,500 |
| Equipment | 39,800,000 |  |
| Less: A.D. Equipment | 7,875,000 | 31,925,000 |
| Total plants Assets |  | 50,037,500 |