

**Simulation対策&
総まとめ講義 FAR**
2021 Edition

U.S.CPA

FAR---Financial Accounting & Reporting
BEC---Business Environment & Concepts
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CPA EXAM REVIEW

Financial



FINAL REVIEW

Simulation 対策&総まとめ講義

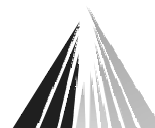
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FINANCIAL

final review topics

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FINANCIAL 3	<i>Accounts Receivable</i>
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FINANCIAL 1

◆ Presentation Order of the Major Components of an Income and Retained Earnings Statement

◆ Comprehensive Income

◆ Revenue Recognition Principle

◆ Completed Contract Method

◆ Percentage of Completion Method

◆ Franchises

◆ Changes in Accounting Principle

◆ Changes in Accounting Entity

◆ Error Corrections

NOTES

I. PRESENTATION ORDER OF THE MAJOR COMPONENTS OF AN INCOME AND RETAINED EARNINGS STATEMENT

Reported on Income Statement

A. Income (or Loss) from Continuing Operations (Report Gross; then Net of Tax)

Income from continuing operations includes operating activities (i.e., revenues, costs of goods sold, selling expenses, and administrative expenses), non-operating activities (e.g., other revenues and gains and other expenses and losses), and income taxes.

Income from Continuing Operations (継続事業利益) を計算する項目は収益・費用ともに総額で記載する。

B. Income (or Loss) from Discontinued Operations (Report "Net of Tax") (参考)

The (normal) loss from discontinued operations can consist of three "elements": (1) an impairment loss, (2) income/loss from actual operations, and (3) a gain/loss on disposal. All of these amounts are included in discontinued operations in the period in which they occur.

Discontinued operations から生じる損失には、次の3つのものがある。

- A gain / loss from actual operations (実際の事業からの利得または損失)
期首から計算することに注意する。

- Impairment loss (減損損失)

Held for sale に分類されると、その component に含まれる資産については、depreciation や amortization を行わず、impairment のテストを行う。つまり、(a) book value (carrying amount, carrying value) と、(b) fair value less costs to sell のいずれか低い方で測定され、(b) の方が低ければ、両者の差額として impairment loss が認識されることになる。

なお、impairment loss を認識した後、fair value が増加した場合には、過去に認識した損失を超えない範囲でのみ戻し入れによる利益を認識することができる。

- A gain / loss on disposal (除却・売却による利得または損失)
I / S への記載は、これらの金額を合計して Net of taxes で行う。

Reported on Statement of Retained Earnings

C. Change in Accounting Principle (Report "Net of Tax")

The cumulative effect of a change in accounting principle is presented net of tax. It is the cumulative effect (calculated as of the beginning of the first period presented) of a change from one acceptable method of accounting to another ("GAAP to GAAP" or "IFRS to IFRS") because the new method presents the financial information more fairly than the old method.

Change in accounting principle (会計方針の変更) が行われた場合の cumulative effect (累積的影響額) は、期首 (比較財務諸表の場合は最初の期) の retained earnings を修正する。

II. COMPREHENSIVE INCOME

Comprehensive income includes all changes in equity during a period, except those resulting from investments by owners and distributions to owners. Comprehensive income is **net income plus other comprehensive income**.

Comprehensive Income（包括利益）とは株主との資本取引以外の取引や事象から生じた一期間における資本の変動額をいい、Net income に Other comprehensive income（その他の包括利益）を加えて求めることができる。

Other comprehensive income includes:（その他包括利益に含まれるもの）

Pension adjustments（Pension に関する unrecognized 項目）

Unrealized gains and losses on available-for-sale securities（売却可能証券の未実現（保有）利得／損失）

Foreign currency items（為替換算調整勘定）

III. REVENUE RECOGNITION PRINCIPLE

The Five-Step Approach

Revenue is recognized when the good or service is transferred to the customer and the performance obligation is satisfied. The amount of revenue to be recognized should reflect the expected consideration that the entity is entitled to receive.

収益は、顧客に財または役務の提供が行われ履行義務が充足された時点で、顧客への財または役務の提供との交換により企業が権利を得ると見込まれる金額で計上される。

The five-step approach should be implemented by an entity in order to properly recognize revenue. The steps are as follows:

収益の認識には、以下の5step アプローチが適用される。

Step 1: Identify the contract with the customer—a contract is an agreement between parties that creates enforceable rights or obligations.

顧客との契約を識別する。契約とは、「強制可能な権利と義務を生じさせる複数の当事者間の合意」である

Step 2: Identify the separate performance obligations in the contract—a performance obligation is a promise to transfer either a good or a service to a customer.

契約における履行義務を識別する。履行義務とは、財またはサービスを提供する契約上の約束のことをいう。

Step 3: Determine the transaction price—the transaction price is the amount of consideration that an entity is entitled to receive in exchange for transferring goods and/or services to a customer.

取引価格を算定する。取引価格とは、財やサービスを顧客へ移転し、それと交換で受け取ることができる見込まれる対価の額である。

Step 4: Allocate the transaction price to the separate performance obligations—if a contract contains more than one performance obligation, the overall transaction price will need to be allocated to each separate obligation.

履行義務へ取引価格を配分する。契約の中に複数の履行義務が存在している場合には、その履行義務ごとに契約の取引価格を配分する必要がある。契約の取引価格の配分は、履行義務に含まれる財やサービスを単独で販売した場合の金額（stand-alone selling price）の比率を基にして行われる。

Step 5: Recognize revenue when or as the entity satisfies each performance obligation—revenue is recognized when the performance obligation is satisfied either at a point in time or over time through transferring the good/service to the customer.

履行義務を充足した時に（または充足するにつれて）収益を認識する。

履行義務が、一定の期間にわたり徐々に充足されるのか、あるいは一時点で充足されるのかは、契約の開始時に決定しなければならない。

履行義務が、一定の期間にわたり徐々に充足される場合、収益を認識するためには、進捗度を測定できなければならない。進捗度の測定方法には、output methods と input methods がある。

1. Output Methods

Output Methods では、現在までに顧客に移転した財やサービスの価値と残りの財やサービスの価値との比率に基づいて、収益を認識する。（例えば、生産もしくは引き渡しの数量、経過期間、契約上のマイルストーン）

2. Input Methods

Input Methods では、履行義務の充足に向けて企業がこれまでに投入した労力の、投入されると予定される総投入量に対する割合に基づいて、収益を認識する。（例えば、発生したコストの見積もり総コストに対する割合、消費した資源、労働時間、経過期間）

IV. COMPLETED CONTRACT METHOD

When a long-term construction contract does not meet the criteria for recognizing revenue over time, revenue and gross profit are recognized when the contract is completed. Under IFRS, the completed contract method is not permitted.

Construction in progress	XXX	
Cash / Accounts payable		XXX
Accounts receivable	XXX	
Progress billings		XXX

Losses (100%) for the completed contract method are recognized in full as they are discovered.

次ページに記載する要件を満たさない時には、工事完成時に収益と利益を計上する completed contract method（工事完成基準）を用いることになる。Loss が予想された場合は、その期に全額を認識する。I

V. PERCENTAGE OF COMPLETION METHOD

When a long-term construction contract meets the criteria for recognizing revenue over time, it is appropriate to use the percentage-of-completion method if the entity's accounting system can:

1. reasonably estimate profitability; and
2. provide a reliable measure of progress toward completion.

Losses for the percentage of completion method are recognized in full as they are discovered (e.g., 100%).

利益が計上されることが合理的見込まれ、工事の進行程度を信頼性をもって見積もることができる場合には、**percentage of completion method** 用いるのが適切である。

Loss が予想された場合は、その期に全額を認識する。

Construction in progress	XXX	
Cash / Accounts payable		XXX
Accounts receivable	XXX	
Progress billings		XXX
Construction in progress	XXX	
Current gross profit		XXX

Calculation of Current Gross Profit		
Step #1	Total Gross Profit	Contract Price <u>(Total Estimated Cost)</u> Gross Profit
Step #2	% Completed	<u>Cost to Date</u> Total Estimated Cost
Step #3	Gross Profit Earned to Date	Step #1 x Step #2
Step #4	Current Gross Profit	Gross Profit Earned to Date <u>(Gross Profit Previously Recognized)</u> Current Gross Profit

工事進行基準では、当期末までに計上されるべき利益の累計額を計算し、その額から前期までに計上した利益をマイナスして、当期の **income statement** に計上される利益を求める。

VI. FRANCHISES

The franchisor reports revenue from franchise fees when all material conditions of the sale have been **"substantially performed."** Substantial performance means that the initial services required of the franchisor have been performed and there is no obligation to refund any payment received.

① Initial franchise fees

Franchise 契約にあたり、当初の段階で一定の金額の支払いを求めることがある。これを **initial franchise fees** と呼ぶ。

Initial franchise fees は、初期のサービスの提供が実質的に終了した時点で **revenue** とされる。そのため、代金を受け取った時点では **unearned franchise fees (deferred revenue)** として繰り延べることになる。

② Continuing franchise fees

定期的に支払われるものは、サービスの提供に応じて収益計上される。試験においては、たとえば「2020年7月から12月までの売上の2%を翌年2021年2月に受け取ることにしている」という設定で出題されることがあるが、この場合、**franchise fee** の受け取り時（2021年2月）に **revenue** を計上するのではなく、2020年の **revenue** であることに注意しなければならない。

VII. CLASSIFICATION AND APPROACHES（会計上の変更）

- ☐ Changes in an accounting estimate（会計上の見積りの変更）
- ☐ Changes in an accounting principle（会計処理方法の変更）
- ☐ Changes in the reporting entity（会計報告単位の変更）
- ☐ Error correction（誤謬の修正）

In accounting for accounting changes and error corrections, the objective is to maintain the validity of comparative information.

会計上の変更がおこなわれた場合は、見積りの変更は **Prospective application**（将来にわたって処理）、会計処理方法の変更は、比較情報の有効性を維持するために、**retrospective application**（過年度に遡って財務諸表を作成し直す）となる。**Error correction**（誤謬の修正）は **Restatement approach**（過年度に遡って作り直し）。

Accounting change approaches:

- ☐ Prospective application（将来にわたって処理）
- ☐ Retrospective application (cumulative effect)（過年度に遡って作り直し）累積的影響額を **Statement of retained earnings**（利益剰余金計算書）に記載して修正する。
- ☐ Restatement approach（過年度に遡って作り直し）

VIII. CHANGES IN ACCOUNTING ESTIMATE (prospective approach)

Adjustments for changes in accounting estimate are made in the current and future accounting periods.

They do not affect previous periods. Examples include:

- ☐ Change in useful life（耐用年数の変更）
- ☐ Change in salvage value（残存価額の変更）

When a change in accounting principle is **inseparable** from a change in accounting estimate, it should be reported as a change in accounting estimate.

減価償却方法の変更のように、change in accounting principle と changes in accounting estimate が一体となっており、区別することができないときは、changes in accounting estimate として、prospective に処理すればよい。

IX. CHANGES IN ACCOUNTING PRINCIPLE – *Retrospective Application (cumulative effect)*

General rule: Any change from one generally accepted accounting principle to another generally accepted accounting principle is recognized by **adjusting beginning retained earnings** for the cumulative effect of the change, net of tax. Prior period financial statements are restated (**IDEA**).

The cumulative effect of a change in accounting principle is computed as of the **beginning of the earliest year presented**, regardless of the actual date of the change, by applying the new principle to the item to be changed since inception. The difference between the two principles is the catch-up amount for all prior affected periods. It includes direct effects and only those indirect effects that are entered into the accounting records.

会計処理方法の変更が行われた場合、累積的影響額を Statement of retained earnings (利益剰余金計算書) に記載する。具体的には期首の retained earnings を修正するが、比較財務諸表の場合は、一番最初の期間の期首の retained earnings を修正する。

A. Exceptions to the General Rule (*prospective application*):

1. Impractical to Estimate

If it is considered impractical to accurately calculate this cumulative effect adjustment, then the change is handled **prospectively** (like a change in estimate). An example of a change handled in this manner is a change in inventory cost flow assumption to **LIFO** (U.S. GAAP only). Since a cumulative effect adjustment to LIFO would require the reestablishment and recalculation of old inventory layers, it is considered impractical to try and rebuild those old cost layers.

棚卸資産の評価方法を L I F O (後入先出法) に変更した場合は、例外的に prospective に処理すればよい。Retrospective application が、実務上困難であることを理由とする。

2. Change in Depreciation Method

A change in the method of depreciation, amortization, or depletion is considered to be both a change in method and a change in estimate. These changes should be accounted for as changes in estimate and are handled **prospectively**. The new depreciation method should be used as of the beginning of the year of change in estimate and should start with the current book value of the underlying asset.

No adjustment should be made to Retained Earnings.

減価償却方法の変更のように、change in accounting principle と changes in accounting estimate が一体となっており、区別することができないときは、changes in accounting estimate として、prospective に処理すればよい。

X. CHANGES IN ACCOUNTING ENTITY (*retrospective application*)

Include changes in the companies that make up the consolidated or combined financial statements from year to year. Hence, if 5-year comparative statements are presented, all these statements would be restated as though all the companies were always combined.

会計報告単位が変更された場合、以前からその会計報告単位で活動していたものとして、過年度の財務諸表をすべて作成し直さなければならない。

XI. ERROR CORRECTIONS (*restatement approach*)

Error corrections require retroactive restatement by adjusting the beginning balance of retained earnings, net of tax, in the earliest year presented. If the error occurred in a year presented, the error is corrected in those prior financial statements.

誤謬の修正は過去に遡って行う (Restatement)。Restatement という言葉を使っているが、行っていることは Retrospective application と同様である。

Gracie Company
STATEMENT OF RETAINED EARNINGS (Partial)
For the Year Ended December 31, Year 1

Beginning balance (as previously reported)	\$28,000,000
Prior period adjustments:	
Correction of error (net of tax \$1,800,000)	(2,700,000)
Cumulative effect of accounting change (net of tax \$2,000,000)	3,000,000
Beginning balance (restated)	<u>\$28,300,000</u>

内 容	取り扱い
Changes in accounting principle	過年度に遡って作り直し (retrospective application)
Changes in accounting estimate	将来にわたって処理 (過年度に遡る必要なし)
Changes in reporting entity	過年度に遡って作り直し (retrospective application)
Error correction	過年度に遡って作り直し (restatement)

XIII. SUMMARY OF ACCOUNTING CHANGES AND NECESSARY TREATMENTS

<i>Accounting Changes</i>	<i>Example(s)</i>	<i>Income Statement</i>	<i>Statement of Retained Earnings</i>
From one GAAP/IFRS principle to another GAAP/IFRS principle	☐ Adopt a new standard ☐ Change methods of inventory costing – FIFO to Average		Retrospective application , compute cumulative effect and report net of tax by adjusting beginning retained earnings of earliest year presented
Changes in principle – Exceptions (require prospective treatment)	☐ From any inventory valuation method to LIFO (U.S. GAAP only) ☐ Change depreciation methods – SL to SYD	☐ Prospective application , the beginning inventory of the year of change is the first LIFO layer ☐ Apply new depreciation method to remaining book value as of the beginning of the year	
Changes in entity	☐ Consolidation of a subsidiary not previously included in consolidated FS ☐ Report consolidated FS in place of individual statements		☐ Retrospective adjustments (plus or minus) net of tax , against the beginning balance of the retained earnings under the caption of "Prior Period Adjustments" ☐ Restate all financial statements presented
Neither a change in principle nor a change in estimate	☐ Change from cost method to equity method		☐ Retroactive adjustments (plus or minus) net of tax , against the beginning balance of the earliest retained earnings presented under the caption of "Prior Period Adjustments" ☐ Restate all financial statements presented
Correction of errors	☐ From cash to accrual ☐ Errors made in prior statements		☐ Retroactive adjustments (plus or minus) net of tax , against the beginning balance of the retained earnings under the caption of "Prior Period Adjustments" ☐ Restate all financial statements presented that are affected
Changes in estimate	☐ Depreciation method ☐ Useful life of depreciable asset ☐ Residual value ☐ Bad debt % ☐ Loss accruals	☐ Prospective application , account for in the current statement "above the line" ☐ No cumulative effect	

MULTIPLE-CHOICE QUESTIONS(1-7)

1.

On January 1, Year 1, Schreiber Company purchased a \$300,000 machine with a five-year useful life and no salvage value. The machine was depreciated by an accelerated method for book and tax purposes. The machine's carrying amount was \$120,000 on December 31, Year 2. On January 1, Year 3, Schreiber changed to the straight-line method for financial statement purposes. Schreiber's income tax rate is 40%. Assuming that Schreiber can justify the change, in its Year 3 statement of retained earnings, what amount should Schreiber report as the cumulative effect of this change?

1. \$60,000
2. \$36,000
3. \$0
4. \$24,000

2.

Gonzales Company purchased a machine on January 1, Year 1 for \$600,000. On the date of acquisition, the machine had an estimated useful life of six years with no salvage value. The machine was being depreciated on a straight-line basis. On January 1, Year 4, Gonzales determined that the machine had an estimated life of eight years from the date of acquisition. An accounting change was made in Year 4. What is the amount of the depreciation expense that should be recorded for the year ended Year 4?

1. \$75,000
2. \$100,000
3. \$60,000
4. \$0

3.

On December 31, Year 10, Brown Company changed its inventory valuation method from the weighted average method to FIFO for financial statement purposes. The change will result in an \$800,000 decrease in the beginning inventory at January 1, Year 10. The tax rate is 30%. The cumulative effect of this accounting change for the year ended December 31, Year 10 in the statement of retained earnings is:

1. \$0
2. \$800,000
3. \$240,000
4. \$560,000

4.

The proper accounting treatment to account for a change in inventory valuation from FIFO to LIFO under U.S. GAAP is:

1. Prospective application.
2. Retrospective application.
3. Retroactive approach.
4. Ignored.

5.

Lore Co. changed from the cash basis of accounting to the accrual basis of accounting during the current year. The cumulative effect of this change should be reported in Lore's current year financial statements as a:

1. Prior period adjustment resulting from the correction of an error.
2. Prior period adjustment resulting from the change in accounting principle.
3. Component of income before extraordinary item.
4. Component of income after extraordinary item.

6.

How should the effect of a change in the accounting estimate be accounted for?

1. By restating amounts reported in financial statements of prior periods.
2. By reporting pro forma amounts for prior periods.
3. As a prior period adjustment to beginning retained earnings.
4. In the period of change and future periods if the change affects both.

7.

On August 31 of the current year, Harvey Co. decided to change from the FIFO periodic inventory system to the weighted average periodic inventory system. Harvey uses U.S. GAAP, is on a calendar year basis and does not present comparative financial statements. The cumulative effect of the change is determined:

1. As of January 1 of the current year.
2. As of August 31 of the current year.
3. During the eight months ending August 31, by a weighted average of the purchases.
4. During the current year by a weighted average of the purchases.

NOTES

MULTIPLE-CHOICE QUESTIONS(1-7)

1.

Choice 3 is correct.

A change in accounting principle is normally recorded using retrospective adjustment where the cumulative effect of the adjustment on prior years is reported in beginning retained earnings of the earliest year presented, net of the related tax effect. There are exceptions, and this particular change in accounting principle is one of the exceptions. Therefore, there is no cumulative effort reporting because such a change in depreciation method is treated as a change in estimate and accounted for prospectively.

2.

Choice 3 is correct.

The accounting change is a change in accounting estimate, which is handled prospectively.

Before the change, depreciation was calculated on the straight-line basis using a life of 6 years. The depreciable base was \$600,000, so the accumulated depreciation for the 3 years before the change was \$300,000 ($\$600,000/6 \times 3$). Thus, the carrying amount at the date of the change was also \$300,000.

A change in accounting estimate is handled prospectively. In this case, the remaining carrying amount of \$300,000 is depreciated over the new remaining life of 5 years ($8 - 3$). The new depreciation expense each year is \$60,000.

Note that the question is asking about depreciation expense. It just as easily could have been accumulated depreciation or it could have been the net book value of the asset.

3.

Choice 4 is correct.

This particular change is from weighted average to FIFO. It is a change in accounting principle. Accounting changes are reported on the statement of retained earnings net of tax. In this question, the cumulative effect before taxes is \$800,000. Net of tax, it is \$560,000 ($\$800,000 \times .70$).

4.

Choice 1 is correct.

A change in accounting principle, if considered "impractical to accurately calculate the cumulative effect adjustment," is handled "Prospectively." A change from FIFO to LIFO (U.S. GAAP) would require the establishment and recalculation of old inventory layers, which are considered impractical to rebuild. Hence, the beginning inventory of the year of change is the first LIFO layer.

5.

Choice 1 is correct.

The cash basis for financial reporting is not a generally accepted basis of accounting (GAAP); therefore, it is an error. Correction of an error from a prior period is reported as a prior period adjustment to retained earnings. APB 20 para. 13 and 36

Choice 2 is incorrect. Cash basis reporting is not acceptable under accrual basis accounting principles.

Thus, the change from cash basis is not reported as a change in accounting principle.

Choice 3 is incorrect. Correction of prior period errors has no effect on the current year's income statement.

Choice 4 is incorrect. An error correction is recorded by restating retained earnings. Error corrections are not reported on the income statement.

6.

Choice 4 is correct.

A "change in accounting estimate" affects only the current and subsequent (future) periods, if the change affects both. It does not affect prior periods or retained earnings.

Choice 1 is incorrect. Restating prior years' financial statements is required when comparative financial statements are shown for prior period adjustments of corrections of errors, changes in entities, and changes in accounting principle.

Choices 2 and 3 are incorrect. A change in accounting estimate does not affect prior periods.

7.

Choice 1 is correct.

As of January 1, the beginning of the year.

Rule: When comparative financial statements are not presented, the cumulative effect of a change in accounting principle equals the difference between retained earnings at the beginning of period of the change and what retained earnings would have been if the change was applied to all affected prior periods. If comparative financial statements are presented, then the cumulative effect is calculated at the beginning of the earliest period presented.

Choice 2 is incorrect. The cumulative effect of the change is not determined as of the date the decision is made.

Choices 3 and 4 are incorrect. The cumulative effect of the change is not determined by a weighted average.

TASK-BASED SIMULATION

TASK-BASED SIMULATION 1: Accounting Treatments

Accounting Treat. Authoritative Literature Help		
On January 1, Year 2, Riggs Corporation hired a new controller. During the year, the controller working with Riggs' outside accountants and President, made changes to existing accounting policies, instituted new accounting policies, and corrected several errors in prior year accounting. Riggs uses U.S. GAAP and does not present comparative financial statements For each of the transactions below, identify the classification of the transaction by double-clicking in the shaded cells under "Classification" and selecting from the list provided. Also, identify the general accounting treatment required for each transaction's classification by double-clicking in the shaded cells under "Treatment" and selecting from the list provided. The available treatments are: <u>Retrospective application</u> Include the <i>cumulative effect</i> of the adjustment resulting from an accounting in the Year 2 financial statements as an adjustment to beginning retained earnings. <u>Retroactive restatement approach</u> Adjust the Year 2 beginning retained earnings if the error or change affects a period prior to Year 2 . <u>Prospective application</u> Report Year 2 and future financial statements on a new basis, but do not adjust the beginning related earnings. .		
Transaction	Classification	Treatment
1. Riggs manufactures heavy equipment to customer specifications on a contract basis. On the basis that it is preferable, accounting for these long-term contracts was switched from the completed-contract method to the percentage-of-completion method.		
2. As a result of a production breakthrough, Riggs determined that manufacturing equipment previously depreciated over 15 years should be depreciated over 20 years.		
3. The equipment that Riggs manufactures is sold with a five-year warranty. Because of a production breakthrough, Riggs reduced its computation of warranty costs from 3% of sales to 1% of sales		
4. Riggs changed from FIFO to average cost to account for its raw materials and work in process inventories.		
5. Riggs sells extended service contracts on its products. Because related services are performed over several years, in Year 2 Riggs changed from the cash method to the accrual method of recognizing income from these service contracts.		
6. During Year 2, Riggs determined that an insurance premium paid and entirely expensed in Year 1 was for the period January 1, Year 1, through January 1, Year 3		
7. Riggs changed its method of depreciating office equipment from an accelerated method to the straight-line method to more closely reflect costs in later years.		
8. Riggs instituted a pension plan for all employees in Year 2 and adopted U.S. GAAP Standards relating to employer's accounting for pensions. Riggs had not previously had a pension plan.		
9. Based on improved collection procedures, Riggs changed the percentage of credit sales used to determine the allowance for uncollectible accounts from 2% to 1%.		

TASK-BASED SIMULATION 1: Accounting Treatments

Accounting Treat.	Authoritative Literature	Help
Year 2の1月1日、Riggs Corporation は新しい経理部長を採用した。Year 2において、経理部長は社長や顧問会計士とともに、既存の会計方針変更したり、新しい会計方針を採用したり、過年度の誤りを訂正したりした。Riggs はU.S.GAAPを採用しており、比較財務諸表は開示していない。 以下の各取引について、“Classification”と書かれた列の影付きのセルをダブルクリックし、提供されたリストから取引の分類を選択しなさい。また、各取引の分類で求められる一般的な会計処理について“Treatment”と書かれた列の影付きのセルをダブルクリックし、提供されたリストから選択しなさい。利用できる処理は以下の通りです。 • Retrospective Applicationは会計方針の変更による修正や誤り訂正による影響額を Year 2の財務諸表で累積の影響額として開示する。 • Retrospective Restatement approachは誤りあるいは会計処理の変更が Year 2以前の期間に影響する場合は Year 2の期首の利益剰余金を修正する。		
Transaction	Classification	Treatment
1. Riggs は契約基準で 顧客仕様の重機を製造している。この長期的契約の会計は完成基準から進行基準へと切り替えられることが望ましい。		
2. 製造技術の飛躍的進歩の結果、Riggs は以前15年にわたって減価償却された製造装置は20年にわたって減価償却されるべきと決定した。		
3. Riggs が製造している機械は5年間の品質保証付きで販売されている。製造技術の飛躍的進歩で、Riggs は品質保証費用の計算を売上高の3%から1%へ減らした。		
4. Riggs は原材料と仕掛品の計上を FIFO から総平均法に変更した。		
5. Riggs は製品について幅広いサービス契約を販売している。関連したサービスは数年にわたり行われるため、Year 2に Riggs はこれらサービス契約の収益認識基準を現金主義から発生主義方式に変更した。		
6. Year 2に、Riggs は次のことを決定した。Year 1に支払われ、その全額を費用として計上した保険料は、Year 1の1月1日からYear 3の1月1日までの期間の分であった。		
7. Riggs は後年の費用をより正確に反映させるため、オフィス機器の減価償却方法を加速法から定額法へと変更した。		
8. Riggs は Year 2に全社員を対象に年金制度を設けた。年金についての雇用者側の会計に関して U.S.GAAP を採用した。Riggs にはこれまで年金計画制度はなかった。		
9. 資金回収方法の改善により、Riggs は掛販売に対する貸倒引当金の決定に使用されていたパーセンテージを2%から1%に変更した。		

〈選択肢〉

Select Item

Change in accounting principle

Change in accounting estimate

Correction of an error in previously presented financial statements

Neither an accounting change nor an error correction

OK Cancel

Select Item

Retrospective application

Restatement approach

Prospective application

OK Cancel

〈解答解説〉

Solution**1. Change in accounting principle | Retrospective application**

Switching from the completed-contract method of accounting to the percentage of completion method is a change in accounting principle.

In this case, the cumulative effect of a change in GAAP should be shown on the statement of retained earnings against beginning retained earnings net of tax.

2. Change in accounting estimate | Prospective application

A change in the lives of fixed assets is considered a change in estimate.

A change in accounting estimate affects only the prospective (current and subsequent) periods, not prior periods or retained earnings. Simply implement the change and continue with the accounting in future periods.

3. Change in accounting estimate | Prospective application

A change in the computation of warranty costs from 3% of sales to 1% of sales is a change in accounting estimate.

A change in accounting estimate affects only the prospective (current and subsequent) periods, not prior periods or retained earnings. Simply implement the change and continue with the accounting in future periods.

4. Change in accounting principle | Retrospective application

A change in an inventory pricing method from FIFO to average cost is a change in accounting principle.

In this case, the cumulative effect of a change in GAAP should be shown on the statement of retained earnings against beginning retained earnings net of tax.

(continued)

(continued)

5. Correction of an error in previously presented financial statements | Restatement approach

A change from the cash method to the accrual method is a correction of an error in previously presented financial statements.

When comparative financial statements are not issued (as in this case), a correction of an error requires restatement of the retained earnings from the prior period end by adjusting (net of tax) the opening balance of the current retained earnings statement.

6. Correction of an error in previously presented financial statements | Restatement approach

The change of the accounting practice of expensing insurance premiums when paid rather than allocating them to the periods benefited is a correction of an error in previously presented financial statements.

When comparative financial statements are not issued (as in this case), a correction of an error requires restatement of the retained earnings from the prior period end by adjusting (net of tax) the opening balance of the current retained earnings statement.

7. Change in accounting estimate | Prospective application

A change in the depreciation method from an accelerated method to the straight-line method for the purpose of more fairly presenting the financial statements is a change in accounting method and change in estimate, which shall be treated as a change in estimate.

The new depreciation method should be used as of the beginning of the year of change in estimate and should start with the current book value of the underlying asset.

8. Neither an accounting change nor an error correction | Prospective application

Instituting a pension plan and adopting statements of accounting standards to account for it, is neither an accounting change nor an accounting error.

When a company institutes a pension plan for the first time, it affects only the prospective (current and subsequent) periods, not prior periods or retained earnings.

9. Change in Accounting Estimate | Prospective application

A change in the percentage of credit sales used to determine the allowance for uncollectible accounts (bad debt) is a change in accounting estimate.

Changes in accounting estimate are recognized only in the current and future years under the prospective approach (i.e., implement the new method and continue into future years).

Transaction	(内容)	Classification	Treatment
1	会計処理方法（会計方針）の変更に該当する。	Changes in accounting principle	Retrospective application
2	見積もりの変更に該当する。	Changes in accounting estimate	Prospective application
3	見積もりの変更に該当する。	Changes in accounting estimate	Prospective application
4	会計処理方法（会計方針）の変更に該当する。	Changes in accounting principle	Retrospective application
5	Cash basis から accrual basis への変更は、error correction となる。	Correction of an error	Restatement approach
6	Prepaid expense とすべきところを、過年度において、支出時に一括して費用化していることに気づき、修正するので、error correction となる。	Correction of an error	Restatement approach
7	Depreciation method の変更は、見積りの変更に該当する。	Changes in accounting estimate	Prospective application
8	新しく pension plan を設け、pension に関する会計基準を適用することになった場合は、「変更」ではない。また、過去に error があつたわけでもないのので、単に「これから適用していく」というだけのことになる。よって、treatment としては、prospective と表現することになる。	Neither an	Prospective application
9	見積もりの変更に該当する。	Changes in accounting estimate	Prospective application

NOTES

TASK-BASED SIMULATION 2: FIFO

<u>Years</u>	<u>Average Cost</u>	<u>FIFO</u>
Prior to Year 1	\$71,000	\$77,000
Year 1	79,000	82,000

For cells B1 and B2, double -click in the shaded cells and select from the list provided. Enter the appropriate amount in cell B3.

✕ ♥ fx	
A	B
1. Classification of transaction	
2. Accounting treatment for transaction	
3. Dollar amount of transaction	

〈選択肢〉

Select Item

Change in accounting principle

Change in accounting estimate

Correction of an error in
previously presented financial
statements

Neither an accounting change
nor an error correction

OK

Cancel

Select Item

Retrospective application

Restatement approach

Prospective application

OK

Cancel

TASK-BASED SIMULATION 2: FIFO

LIFO Authoritative Literature Help																															
Year 2の1月1日付で、Riggs は製品在庫について平均法から FIFO（先入先出）法に変更しました。それぞれの方法のもとで販売された商品原価は以下の通りです。 <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 5px;"><u>Years</u></th> <th style="text-align: left; padding: 5px;"><u>Average Cost</u></th> <th style="text-align: left; padding: 5px;"><u>FIFO</u></th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Prior to Year 1</td> <td style="padding: 5px;">\$71,000</td> <td style="padding: 5px;">\$77,000</td> </tr> <tr> <td style="padding: 5px;">Year 1</td> <td style="padding: 5px;">79,000</td> <td style="padding: 5px;">82,000</td> </tr> </tbody> </table> B1と B2の影付きのセルをダブルクリックし、提供されたリストから選択しなさい。B3のセルに適切な金額を入力しなさい。 <table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse; width: 60%;"> <tr> <td style="width: 5%; text-align: center; padding: 2px;">✕</td> <td style="width: 5%; text-align: center; padding: 2px;">♥</td> <td style="width: 10%; text-align: center; padding: 2px;">fx</td> <td style="width: 80%; height: 20px;"></td> </tr> <tr> <td colspan="2" style="text-align: center; padding: 5px;">A</td> <td colspan="2" style="text-align: center; padding: 5px;">B</td> </tr> <tr> <td colspan="2" style="padding: 5px;">1. Classification of transaction</td> <td colspan="2" style="background-color: #cccccc;"></td> </tr> <tr> <td colspan="2" style="padding: 5px;">2. Accounting treatment for transaction</td> <td colspan="2" style="background-color: #cccccc;"></td> </tr> <tr> <td colspan="2" style="padding: 5px;">3. Dollar amount of transaction</td> <td colspan="2" style="background-color: #cccccc;"></td> </tr> </table>			<u>Years</u>	<u>Average Cost</u>	<u>FIFO</u>	Prior to Year 1	\$71,000	\$77,000	Year 1	79,000	82,000	✕	♥	fx		A		B		1. Classification of transaction				2. Accounting treatment for transaction				3. Dollar amount of transaction			
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〈選択肢〉

Select Item
Change in accounting principle
Change in accounting estimate
Correction of an error in previously presented financial statements
Neither an accounting change nor an error correction
OK Cancel

Select Item
Retrospective application
Restatement approach
Prospective application
OK Cancel

〈解答解説〉

Solution

1. Change in accounting principle

A change in the cost method used to account for inventory is a change in accounting principle.

2. Retrospective application

A change in the cost method used to account for inventory is accounted for using a retrospective application (cumulative effect).

3. \$9,000

<u>Years</u>	<u>Average Cost</u>	<u>FIFO</u>	<u>Change</u>
Prior to Year 1	\$71,000	\$77,000	\$6,000
Year 1	79,000	82,000	<u>3,000</u>
			<u>\$9,000</u>

まず、inventory の単価計算方法として、average method から FIFO に変更しているので、accounting principle の変更に応当する。よって、対応としては、retrospective application となる。

次に、dollar amount of transaction という表現の意味がわかりにくいかもしれないが、これは、cumulative effect の額を問う問題である。ここで、accounting principle の変更は、その年度の期首に行われたと考えるので、Year 1 末までの合計の影響を考えればよい。よって、Year 1 よりも前の影響額が \$6,000、Year 1 の影響額が \$3,000 なので、合計の影響額は \$9,000 となる。なお、厳密には、cumulative effect は net of tax で求めるが、本問では tax rate が示されていないため、\$9,000 で解答することになる。

NOTES

TASK-BASED SIMULATION 3: *Straight-line Depreciation*

Straight-line Dep. Authoritative Literature Help											
In January of Year 1, an entity purchased a machine with a five-year life and no salvage value for \$40,000. The machine was depreciated using the straight-line method. On December 31, Year 2, the entity discovered that depreciation on the machine had been calculated using a 25% rate. For cells B1 and B2, double-click in the shaded cell and select from the list provided. Enter the appropriate amount in cell B3.											
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20px; text-align: center;">✕ ♥ fx</td> <td style="width: 300px; height: 20px;"></td> </tr> <tr> <th style="width: 50%; text-align: center;">A</th> <th style="width: 50%; text-align: center;">B</th> </tr> <tr> <td style="padding: 5px;">1. Classification of transaction</td> <td style="background-color: #d3d3d3;"></td> </tr> <tr> <td style="padding: 5px;">2. Accounting treatment for transaction</td> <td style="background-color: #d3d3d3;"></td> </tr> <tr> <td style="padding: 5px;">3. Dollar amount of transaction</td> <td style="background-color: #d3d3d3;"></td> </tr> </table>		✕ ♥ fx		A	B	1. Classification of transaction		2. Accounting treatment for transaction		3. Dollar amount of transaction	
✕ ♥ fx											
A	B										
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〈選択肢〉

Select Item
Change in accounting principle
Change in accounting estimate
Correction of an error in previously presented financial statements
Neither an accounting change nor an error correction
OK Cancel

Select Item
Retrospective application
Restatement approach
Prospective application
OK Cancel

TASK-BASED SIMULATION 3: *Straight-line Depreciation*

Straight-line Dep. Authoritative Literature Help											
Year 1の1月に、ある企業は耐用年数5年、残存価格なしの機械を\$40,000で購入した。この機械は定額法を使い減価償却された。Year 2の12月31日、その企業は機械の減価償却が25%の率で計算されていることを発見した。 B1と B2の影付きのセルをダブルクリックし、提供されたリストから選択しなさい。B3のセルには適切な金額を入力しなさい。											
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Select Item
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Neither an accounting change nor an error correction

Select Item
Retrospective application
Restatement approach
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〈解答解説〉

Solution**1. Correction of an error in previously presented financial statements**

The use of a 25% rate rather than the proper 20% rate (e.g., $100\%/5 = 20\%$) is a correction of an error.

2. Restatement approach

The incorrect recording of depreciation is corrected for all prior periods by adjusting the beginning retained earnings net of tax of the period in which the error is discovered if no comparative statements are issued (the restatement approach).

3. \$2,000

The error was discovered in Year 2; therefore, the Year 2 depreciation expense will be calculated using the proper 20% rate. The Year 1 depreciation expense (and net income) were determined using the incorrect 25% rate. The difference ($5\% \times \$40,000 = \$2,000$) is a prior period correction.

Incorrect: Year 1 depreciation ($25\% \times \$40,000$) = \$10,000

Correct: Year 1 depreciation ($20\% \times \$40,000$) = (\$8,000)

Total = \$2,000

Useful life について、正しくは5年（20％）のところ、誤って4年（25％）で計算していたことが判明したので、本問は **error correction** の問題であり、**treatment** は、**restatement** となる。このような **error correction** についても、**accounting principle** の変更と同様、期首に修正したと考えるため、本問では **Year 1** の **depreciation** の正しい額と誤った額の差額を計算すればよいことになる。

誤った額： $\$40,000 \times 25\% = \$10,000$

正しい額： $\$40,000 \times 20\% = \$8,000$

したがって、**prior period adjustment** は\$2,000となる。なお、厳密には、**prior period adjustment** は **net of tax** で求めるが、本問では **tax rate** が示されていないため、\$2,000で解答することになる。

NOTES

TASK-BASED SIMULATION 4: Research

How is a change in reporting entity accounted for? Find the proper citation that provides guidance to answer this question.

Type the topic here. Correctly formatted FASB ASC topics are 3 or 4 digits.

FASB ASC - - -

Some examples of correctly formatted FASB ASC responses are 205-10-05-1, 323-740-S25-1, 260-10-60-1A, 260-10-55-99 and 115-60-35-128A

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Solution

Source of answer for this question:

FASB ASC 250-10-45-21

Keyword: Change in Reporting Entity

TASK-BASED SIMULATION 4: Research

会計報告単位の変更はどのように処理されるか？この問いに対してガイダンスを提供する適切な条文を探しなさい。

Type the topic here. Correctly formatted FASB ASC topics are 3 or 4 digits.

FASB ASC - - -

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Accounting Standards Codificationの体系

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712 – Compensation – Nonretirement Postemployment Benefits

715 – Compensation – Retirement Benefits

718 – Compensation – Stock Compensation

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NOTES

Simulation 対策&総まとめ講義 (FAR) - Text

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