

Chapter 11 Supplementary Problems Worksheet

Problem 1-Current Rate Method	Subsidiary in €	Rate	Subsidiary in \$
Cash	159,200		
Accounts Receivable	290,000		
Inventory	372,500		
PPE	896,800		
COGS	750,000		
Operating Expenses	325,000		
Dividends	17,500		
Total Debits	2,811,000		
Current Liabilities	212,000		
Long-term Liabilities	494,000		
Common Stock	100,000		
APCI	125,000		
R/E, 1/1	630,000		
Sales	1,250,000		
Total Credits	2,811,000		
Translation Adjustment - Plug (OCI)			
Total Credits			
Problem 2-Current Rate Method	Subsidiary in €	Rate	Subsidiary in \$
Cash	311,637		
Accounts Receivable	254,040		
Inventory	326,310		
PPE	603,564		
COGS	657,000		
Operating Expenses	284,700		
Dividends	15,330		
Total Debits	2,452,581		
Current Liabilities	185,712		
Long-term Liabilities	432,744		
Common Stock	164,250		
R/E, 1/1	574,875		
Sales	1,095,000		
Total Credits	2,452,581		
Translation Adjustment - Plug (OCI)			
Total Credits			

	Subsidiary in €	Rate	Subsidiary in \$
Problem 3 - Temporal Method			
(A) Cost of Goods Sold:			
Beginning Inventory	310,417		
Add: Purchases	812,083		
Deduct: Ending Inventory	(372,500)		
Cost of Goods Sold:	750,000		
(B) PPE			
Land	326,800		
Buildings	360,000		
Acc Dep'n-Buildings	(30,000)		
Equipment	280,000		
Acc Dep'n-Equipment	(40,000)		
PPE, net	896,800		
(C) Depreciation Expense			
Dep'n Expense-Building	30,000		
Dep'n Expense-Equipment	40,000		
Total Depreciation Expense	70,000		
	Subsidiary in €	Rate	Subsidiary in \$
Cash	159,200		
Accounts Receivable	290,000		
Inventory	372,500		
PPE	896,800		
COGS	750,000		
Operating Expenses	255,000		
Dep'n Expense	70,000		
Dividends	17,500		
Total Debits	2,811,000		
Current Liabilities	212,000		
Long-term Liabilities	494,000		
Common Stock	225,000		
R/E, 1/1	630,000		
Sales	1,250,000		
Total Credits	2,811,000		
Remeasurement Gain/(Loss) - Plug (NI)			
Total Credits			

	Subsidiary in NZD	Rate	Subsidiary in \$
Problem 4-Temporal Method			
(A) Cost of Goods Sold:			
Beginning Inventory	1,117,500		
Add: Purchases	2,923,500		
Deduct: Ending Inventory	(1,341,000)		
Cost of Goods Sold:	2,700,000		
(B) PPE			
Land	980,400		
Buildings	1,800,000		
Acc Dep'n-Buildings	(900,000)		
Equipment	1,200,000		
Acc Dep'n-Equipment	(600,000)		
PPE, net	2,480,400		
(C) Depreciation Expense			
Dep'n Expense-Building	90,000		
Dep'n Expense-Equipment	120,000		
Total Depreciation Expense	210,000		
	Subsidiary in NZD	Rate	Subsidiary in \$
Cash	1,280,700		
Accounts Receivable	1,044,000		
Inventory	1,341,000		
PPE	2,480,400		
COGS	2,700,000		
Operating Expenses	960,000		
Dep'n Expense	210,000		
Dividends	63,000		
Total Debits	10,079,100		
Current Liabilities	763,200		
Long-term Liabilities	1,778,400		
Common Stock	675,000		
R/E, 1/1	2,362,500		
Sales	4,500,000		
Total Credits	10,079,100		
Remeasurement Gain/(Loss) - Plug (NI)			
Total Credits			