■ Calculator [1 point] Management accounting information is generally prepared for:				
А	Stockholders			
В	Creditors			
С	Managers			
D	Regulatory agencies			
E None of the others.				

■ Calculator [1 point]				
Both direc	t materials and indirect materials are:			
А	Product costs			
В	Manufacturing overheads			
С	Merchandise inventory			
D Sold directly to customers by a manufacturing company				
Period costs				

Cal	culator		
[1 point]			
A process	cost accounting system is most appropriate when		
А	a variety of different products are produced, each one requiring different types of materials, labor, and overhead.		
В	the focus of attention is on a particular job or order.		
С	similar products are mass-produced.		
D	individual products are custom made to the specification of customers.		

Calculator				
[1 point]				
Under abs	corption costing and variable costing, how are fixed manufacturing costs treated?			
А	Absorption: Product Cost Variable: Product Cost			
В	Absorption: Product Cost Variable: Period Cost			
С	Absorption: Period Cost Variable: Product Cost			
D Absorption: Period Cost Variable: Period Cost				

E Calculator

[1 point]

Company **Yellow Mark** manufactures ice cream. We have the following information regarding the company's financials for the month of September:

P&L by nature	September
Sales	200 000.00 €
Change in inventories	3 000.00 €
Operating revenues	203 000.00 €
CMSMU	35 250.00 €
Miscellaneous	105 000.00 €
Personnel	25 000.00 €
EBITDA	37 750.00 €
Depreciation	5 000.00 €
EBIT	32750.00€
Financial Costs	600.00€
EBT	32 150.00 €

It is known that the total monthly base wage for employees' work time amounts to 20 000.00 €. The total social charges for the year are 114 400.00 €. Yellow Mark personnel policy includes a one-month paid holiday per year to all employees.

The difference in the monthly profit between the P&L by nature and P&L by function (Profit F.A. – Profit M.A.) and the percentage of Theoretical Social Charges are respectively:

А	5 400.00 € and 52%
В	- 5 400.00 € and 52%
С	7 480.00€ and 62.4%
D	- 7 480.00€ and 62.4%
Е	None of the others.

Calculator

[1 point]

Cempor is a Portuguese cement manufacturer. The information below was collected in February:

1 – Inventory Movements

■ Changes in WIP: - 500€

DM Inventory	Q	Unit Cost	FG Inventory	Q	Unit Cost
Open	1 000	4.78€	Open	3 000	20€
Purchases	3 000	5.50€	Production	5 000	
Closing	750		Sales	6 000	

2 – Costs in February

Costs (€)	Factory	Stores	Headquarters	Total
Insurance	€ 000 €	2 000 €	1 000 €	11 000 €
Security Service	1 500 €	500€	100€	2 100 €
Electricity & Water	5 000 €	1 000 €	550€	6 550 €
Depreciation	25 000 €	15 000 €	60 000 €	100 000 €
Personnel	50 000 €	30 000 €	120 000 €	200 000 €
Total	89 500 €	48 500 €	181 650 €	319 650 €

Based on the information above, and assuming that the company is using **LIFO** as its inventory method, the COGM and COGS are, respectively:

	А	107 155.00 € and 124 293.00 €
	В	107 695.00 € and 127 695.00 €
	С	107 290.00 € and 125 467.50 €
	D	None of the others.

Calculator

[1 point]

Arda Metal Packaging is a producer of aluminum beverages' cans. To produce the cans, large sheets of aluminum are cut into circles that are then shaped into cans. Due to the rounded shape, under efficient conditions, 5% of the aluminum sheets is scrapped. Afterwards, unexpectedly, some cans end up being defective and are also scrapped.

The following	information v	was collected	regarding	the r	month	of Fe	bruary:
							· · · j

Costs	Can	Shaping		
Aluminum Sheets (€)	50	€ 000 €		
Conversion Costs (€)	1(0 625 €		
Total	6	0 625 €		
Aluminum dm ² consumed				
dm ² per finished/defective can			1_0 000	
Number of finished cans			118 000	
Number of defective cans			750	
Price per dm ² of scrapped aluminum (€)		0.2€	

There was no opening or closing stocks of finished goods and work-in-progress.

• All the losses can be sold.

Knowing that the selling price per can is 1€, calculate the operating profit of *Arda Metal Packaging*.

А	57 525.00 €
В	58 975.00 €
С	58 775.00€
D	59 175.00 €
Е	None of the others.

Calculator

[1 Point]

The following information is known about the company **ACS International**. The company currently uses the total full costing system to calculate the cost of goods manufactured.

For the period under analysis the following information is available:

Manufacturing Variable Costs		220 000.00€
Production		25 000 units
Practical Capacity	28 000 units	
Unit Selling Price	44 €	
Opening inventory of Finished G	0 units	
P&L	TFC	
Sales		962 500.00 €
COGS		761 250.00€
Orace Drafit		
Gross Profit	201 250.00 €	
Non-Manufacturing Costs		201 250.00 € 105 000.00 €

What would be the COGS if the ACS International used the Full Costing Based on Practical Capacity?



E Calculator

[6 Points]

A manufacturing company, **XYZ Apparel Inc.**, produces two types of garments: tops, and dresses. Each garment undergoes several production activities, including prepping the fabric, dying the fabric, cutting the fabric, stitching pieces together, and quality control.

Currently, XYZ Apparel Inc. uses a traditional costing system with a single overhead rate to allocate manufacturing overhead costs to its products, using Direct Material costs as an allocation base.

However, management is considering adopting Activity-Based Costing (ABC) to gain a more accurate understanding of product costs. The following information was gathered:

Activity	Cost driver	Cost (€)
Prepping the fabric	square meters of fabric prepped	10 000 €
Dying the fabric	weight of fabric dyed	12 000 €
Cutting the fabric	no. of pieces cut	11 250 €
Stitching pieces together	total no. of seams	18 000 €
Quality control	no. of inspection hours	7 500 €

Cost driver	Tops	Dress	Total
square meters of fabric prepped	500	1 500	2 000
weight of fabric dyed	1 500	2 500	4 000
no. of pieces cut	425	200	625
total no. of seams	10 000	2 500	12 500
no. of inspection hours	60	40	100

Costs	Tops	Dress
Direct Material	5 000 €	8 970 €
Direct Labour	20 000 €	22 500 €

Calculate the Cost of Goods Manufactured for both products using the current method for allocating manufacturing indirect costs.

ANSWER ON PAPER

Recompute the	COGM	but using	Activity-Based	Costing
nooonnpato the	ocam,	but doinig	, loting Daooa	ooounig.

	SWER	ON PAP	ER											
mr	nent c	on the res	sults a	nd sta	ate th	ne advanta	ages an	d disad	vantages	of using a	ABC.			
AN	ISWE	R HERE												
	Ι	<u>U</u>	≣		á									
	Ι	<u>U</u>	: =		á									
	Ι	<u>U</u>	: =		á									

E Calculator

[6 points]

HappySights is a company that manufactures dinnerware (plates, mugs and cups). For accounting purposes, the company's factory is organized in the following homogeneous cost pools (or cost centers):

- Shaping (machine hours as the unit of work) where the materials are molded in the desired shape.
- Painting (machine hours as the unit of work) where the dinnerware is painted.
- Maintenance (labor hours as the unit of work) ensures the maintenance and repair of the manufacturing and cleaning equipment.
- Cleaning (labor hours as the unit of work) ensures the cleaning of the spaces.
- General Manufacturing Overheads responsible for the well-functioning of the factory.

The following information was collected regarding the month of February:

1 – Direct costs (in Euros) of the homogeneous cost pools:

Costs	Shaping	Painting	Maintenance	Cleaning	GMO
Miscellaneous costs	300€	600€	200€	250€	1 000 €
Wages	5 000 €	1 850 €	6 000 €	4 000 €	-
Depreciation	1 000 €	800€	200€	200€	-
Other costs	300€	100€	100€	50 €	600€
Total	6 600 €	3 350 €	6 500 €	4 500 €	1 600 €

2 – The activities of the homogeneous cost pools:

Suppliers	Shaning	Painting	Maintonanco	Cloaning
Users	Shaping	Fainting	Maintenance	Cleaning
Shaping	-	-	200	100
Painting	-	-	100	300
Maintenance	-	-	-	100
Cleaning	-	-	50	-
Plates	800	200	-	-
Mugs	400	100	-	-
Cups	200	75	-	-
Total	1400 Mh	375 Mh	350 Lh	500 Lh

General Manufacturing Overheads are allocated equally between the remaining departments.

3 – Prime Costs:

- Plates Prime Cost: 12 375 €
- Mugs Prime Cost: 5 550 €
- Cups Prime Cost: 1 350 €

4 – Production and Sales:

During the month of February HappySights:

- Produced 30 000 plates, 10 000 mugs and 4 000 cups.
- Sold 28 000 plates at 2.2€/un, 9 000 mugs at 1.8€/un and 3 600 cups at 1.6€/un.