

(作答時請將題號標明清楚，字跡請勿潦草)

一、解釋名詞—15分

1. Flexible budget, 2. Discretionary costs, 3. Value chain, 4. Resource drivers, 5. Product-level driver.

二、選擇題—18分

1. Harris Company had a favorable flexible-budget direct-material variance. In this case it would not be possible for the direct-material price and usage variances, respectively, to be: (a) favorable and unfavorable (b) unfavorable and favorable (c) unfavorable and unfavorable (d) favorable and favorable.
2. Which of the following statements about cycle time is false? (a) the time taken to complete a product or service, (b) an important cost driver, (c) a summary measure of manufacturing or service efficiency and effectiveness, (d) one key to improving quality is to increase cycle time.
3. Which of the following activities is a product sustaining activity? (a) plant management, (b) production scheduling, (c) direct labor, (d) product design.
4. Different products consume different proportions of manufacturing support costs because of differences in all of the following except: (a) product design, (b) product size, (c) setup time, (d) sales prices.
5. Which of the following is not true about organization planning? (a) it defines the nature of the chosen relationship between the organization and the customer, (b) it guarantees that the organization will be successful, (c) it designs the processes that the organization will use to meet its objectives, (d) it defines the organization's objectives.
6. Which of the following costs are general and administrative costs? (a) sales commissions, (b) assistant controllers' salaries, (c) advertising expenses, (d) plant depreciation.

三、計算題

1. (15分) GVC Corp. bids on a wide variety of design and printing jobs. The controller prepares the bids for most jobs. His cost budget for 1996 is as follows:

Materials		\$700,000	
Labor		500,000	
Overhead			
Variable	600,000		
Fixed	300,000	900,000	
Total product cost of jobs			2,100,000
Selling and administrative expenses			
Variable	150,000		
Fixed	250,000	400,000	
Total costs			<u>\$2,500,000</u>

GVC has a target profit of \$500,000 for 1996.

Required: Compute the average target markup percentage for setting prices as a percentage of:

- 1) Prime costs, 2) Variable production cost of jobs, 3) Total production cost of job, 4) All variable costs, 5) All costs.

2. (22 分) Anderson Company uses a conventional two-stage cost allocation system. In the first stage, all manufacturing support costs are assigned to two production departments, P1 and P2, based on machine hours. In the second stage, direct labor hours are used to allocate support costs to individual products.

Items	Product X	Product Y
Units sold	1,000	3,000
Direct materials cost per unit	\$60	\$50
Direct labor wage rate per hour	\$25	\$15
Direct labor hours in P1 per unit	2	1
Direct labor hours in P2 per unit	1	3

During 1997, manufacturing support costs totaled \$200,000. Machine hours in production departments P1 and P2 were 5,000 and 15,000 hours, respectively. Anderson Company is planning to implement an activity-based costing system. Its controller has compiled the following information for activity cost analysis:

Activities	Activity costs	Activity cost drivers	Activity support driver rate	Cost drivers Demanded	
				A	B
Material Movement	\$ 30,000	Number of production runs	\$30 per run	200	800
Machine setups	100,000	Number of setups	\$500 per setup	50	150
Quality inspections	50,000	Number of units	\$12.5 per unit	1,000	3,000
Shipment	20,000	Number of shipments	\$100 per shipment	50	150
Total support costs	\$200,000				

Required:

- Determine the unit costs for each of the two products under the existing cost accounting system.
 - Determine the unit costs for each of the two products if the proposed ABC system is installed.
3. (15 分) The pay stub of Olympus Manufacturing employee #100, who works on the production line, showed the following for a 2-week pay period:

Gross earnings	\$1,140.00
Income tax withheld	152.92
FICA tax	85.50
Company pension plan	83.54
Union dues	11.00
Net earnings	\$807.04

The employee works a regular 40-hour week and is paid \$12 per hour regular time and time and a half for overtime.

For this employee, the company paid an additional \$273.20 in benefits for the 2-week pay period with regard to the employer's contribution to the company's pension plan and FICA tax.

Required:

- What was the amount charged to Work in Process for employee #100 for the 2-week period, assuming that any overtime work is not traceable to a particular job order or product?

- 2) How much would the department factory overhead control account have been charged for the 2-week period for employee #100?
- 3) Assume that in the second week of the pay period, the machine on which this employee worked was being repaired for 3 hours and the worker was unable to perform regular duties of production during that time. To which account should the cost of idle time be charged?
4. (15 分) The following data are available for Khazem Company for the year ended September 30, 1998.

Sales:	48,000 units at \$50 each
Expected and actual costs incurred:	60,000 units
Manufacturing costs incurred:	
Variable:	\$1,050,000
Fixed:	\$ 744,000
Nonmanufacturing costs incurred:	
Variable:	\$ 289,600
Fixed:	\$ 154,800
Beginning inventories:	none

Required:

- 1) Determine operating income using the variable-costing approach.
- 2) Determine operating income using the absorption-costing approach.
- 3) Explain why operating income is not the same under the two approaches.