

Question 1

Which of the following is a chart which indicates how frequently each type of defect occurs?

- A) control chart
- B) Pareto diagram
- C) scatter diagram
- D) fishbone diagram

Answer: <https://biology-forums.com/index.php?topic=1861464>

Question 2

Increased used of automation, computer integrated manufacturing, and utilization of robots have lead to an increase in indirect costs relative to direct costs.

[b][True or False][b]

Answer: <https://biology-forums.com/index.php?topic=1861155>

Question 3

BarGraphs Corp. had capacity to produce 12,000 units of L3 using 30,000 kg of direct materials. BarGraphs produced 11,650 units of L3 by processing 25,500 kg of direct materials. Conversion cost per unit is \$7.50. BarGraphs can add or reduce manufacturing capacity in increments of 4500 kgs.

What is the cost of unused capacity for conversion costs of BarGraphs?

- A) \$3000
- B) \$4500
- C) \$13,500
- D) \$2625

Answer: <https://biology-forums.com/index.php?topic=1861357>

Question 4

Zenich Corp manufactures laptops. The waiting time is 72 minutes before the start of production and the manufacturing lead time is 164 minutes per laptop. What is its manufacturing cycle efficiency? (Round to the nearest whole percent.)

- A) 44%
- B) 64%
- C) 56%
- D) 78%

Answer: <https://biology-forums.com/index.php?topic=1861470>

Question 5

Time Again, LLC produces and sells a mantel clock for \$100 per unit. In 2017, 42,125 clocks were produced and 37,958 were sold. Other information for the year includes:

Direct materials\$43 per unit

Direct manufacturing labor\$5 per unit

Variable manufacturing costs\$3.50 per unit

Sales commissions\$14.50 per part

Fixed manufacturing costs\$65.00 per unit

Administrative expenses, all fixed \$37.50 per unit

What is the inventoriable cost per unit using variable costing?

- A) \$66.00
- B) \$51.50
- C) \$48.00
- D) \$103.50

Answer: <https://biology-forums.com/index.php?topic=1861248>

Question 6

Which of the following would be subtracted from sales while calculating contribution margin in a variable costing format of an operating income statement?

- A) Direct labor in factory
- B) Rent on factory building
- C) Rent on the headquarters building
- D) Sales commission on incremental sales

Answer: <https://biology-forums.com/index.php?topic=1861255>

Question 7

Revenue allocation is used when _____.

- A) revenues cannot be estimated but can be traced to specific cost objects
- B) revenues are related to a particular revenue object but cannot be traced to it in an economically feasible way
- C) revenues are not related to a particular object but can be traced to that object in an economically feasible way
- D) revenue optimization is the goal

Answer: <https://biology-forums.com/index.php?topic=1861417>

Question 8

South by Southwest Company used least squares regression analysis to obtain the following output:

Payroll Department Cost

Explained by Number of Employees

Constant \$7,540

Standard error of Y estimate 819

r^2 0.8924

Number of observations 20

X coefficient(s) \$2.473

Standard error of coefficient(s) 0.0966

Required:

- a. What is the total fixed cost?
- b. What is the variable cost per employee?
- c. Prepare the linear cost function.
- d. What is the coefficient of determination? Comment on the goodness of fit.

Answer: <https://biology-forums.com/index.php?topic=1861318>

Question 9

Jupiter Corporation incurred fixed manufacturing costs of \$16,000 during 2017. Other information for 2017 includes:

The budgeted denominator level is 2,300 units.

Units produced total 2,600 units.

Units sold total 1,600 units.

Variable cost per unit is \$4

Beginning inventory is zero.

The fixed manufacturing cost rate is based on the budgeted denominator level.

Under variable costing, the fixed manufacturing costs expensed on the income statement (excluding adjustments for variances) total _____.

- A) \$16,000
- B) \$11,130
- C) \$21,530
- D) \$0

Answer: <https://biology-forums.com/index.php?topic=1861264>

Question 10

Sky High sells helicopters. During the current year, 130 helicopters were sold resulting in \$820,000 of sales revenue, \$250,000 of variable costs, and \$345,000 of fixed costs. Breakeven point in units is _____.

- A) 95 units
- B) 58 units
- C) 79 units
- D) 55 units

Answer: <https://biology-forums.com/index.php?topic=1861099>

Question 11

The controller at TellCo is examining her books. She determines that at the breakeven point of 5,000 units, variable costs total \$4,000 and fixed costs total \$7,000. Therefore, 5,001st unit sold will contribute _____ to profits. (Round the final answer to the nearest cent.)

- A) \$0.80
- B) \$0.60
- C) \$1.40
- D) \$2.20

Answer: <https://biology-forums.com/index.php?topic=1861100>

Question 12

That part of the value chain that includes ordering and shipping the product to retail outlets is _____.

- A) Customer service
- B) Production
- C) Marketing
- D) Distribution

Answer: <https://biology-forums.com/index.php?topic=1861019>

Question 13

Homogeneous cost pool leads to which of the following?

- A) more accurate costs of a given cost object
- B) more resources being assigned to that cost object
- C) the need for more cost drivers
- D) the need for different cost allocation bases to allocate the costs

Answer: <https://biology-forums.com/index.php?topic=1861401>

Question 14

In general, which of the following budgets is prepared first?

- A) sales budget
- B) production budget
- C) direct labor budget
- D) overhead budget

Answer: <https://biology-forums.com/index.php?topic=1861181>

Question 15

All of the following are examples of quantitative factors except:

- A) cost of direct materials
- B) budget for marketing activities
- C) product development time
- D) employee morale

Answer: <https://biology-forums.com/index.php?topic=1861321>

Question 16

Which of the following best defines the term: product life cycle?

- A) the time span between when the company begins the initial R&D on a product till the time when the first unit is sold.
- B) the span of time from initial R&D on a product to when the customer service and support for the product is no longer offered
- C) the time span between when the company begins the initial R&D on a product till the time when the last unit is sold
- D) the span of time from when the first unit of the product is sold until the last unit of the product is sold

Answer: <https://biology-forums.com/index.php?topic=1861388>

Question 17

Companies that overcost products risk becoming less effective on pricing and losing market share when competition utilizes more accurate cost systems.

[b][True or False][/b]

Answer: <https://biology-forums.com/index.php?topic=1861153>

Question 18

Which of the following is true about discontinuing an unprofitable customer?

- A) will eliminate all corporate costs assigned to and may result in losing more revenues relative to costs saved
- B) will eliminate all costs assigned to and may result in gaining more revenues relative to costs saved
- C) will not eliminate all costs assigned to and may result in losing more revenues relative to costs saved
- D) will not eliminate all corporate costs assigned to and may result in gaining more revenues relative to costs saved

Answer: <https://biology-forums.com/index.php?topic=1861397>

Question 19

Bell Company sells several products. Information of average revenue and costs is as follows:

Selling price per unit\$33.00

Variable costs per unit:

Direct material\$6.00

Direct manufacturing labor\$1.50

Manufacturing overhead\$0.30

Selling costs\$2.25

Annual fixed costs\$113,000

The company sells 10,000 units.

The contribution margin per unit is _____.

A) \$11.65

B) \$22.95

C) \$25.20

D) \$25.50

Answer: <https://biology-forums.com/index.php?topic=1861089>

Question 20

Balanced scorecards show reveal as many measures as possible to connect objectives with measures and initiatives to help assure the success of the enterprise.

[b][True or False][/b]

Answer: <https://biology-forums.com/index.php?topic=1861349>