

Course No: ACNE 2302
Course Title: Cost Accounting
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No. of Questions: (3)
Time: 1 hour
Using Calculator (yes)

University of Palestine

First Mid-term Exam
2nd Semester 2017/2018
Total Grade: 15

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Student No.: _____
Student Name: _____
College Name: Business Administration
Dep. / Specialist: Accounting
Using Dictionary (No)

Question 1:

The following information is available for Keystone Company:

	<u>May 1</u>	<u>May 31</u>
Raw materials inventory	\$24,000	\$20,000
Work in process inventory	5,000	8,000
Finished goods inventory	28,600	25,000
Materials purchased in March	\$180,000	
Direct labor in March	150,000	
Manufactured overhead in March	400,000	

Required:

Prepare the cost of goods manufactured schedule for the month of March

Question 2:

Tierney Printing Corp. uses a job order cost system. The following data summarize the operations related to the first quarter's production.

1. Materials purchased on account \$96,000 and factory wages incurred \$44,000
2. Material requisitioned and factory labor used by job:

Job No.	Materials	Factory labor	Manufacturing overhead	Total Manufacturing Cost
K530	\$18,000	\$9,000		
K531	21,000	12,000		
K532	18,000	6,000		
K533	20,000	13,000		
General Factory uses	3,000	4,000		
	<u>\$80,000</u>	<u>\$44,000</u>		

3. Manufacturing overhead cost incurred on account \$35,000
4. Depreciation on factory equipment \$10,000
5. Manufacturing overhead rate is 120% of direct labor cost
6. Jobs completed during the quarter K530, K531, and K533

Required:

- a. Prepare entries to record the operations summarized above.
- b. Calculate the ending balance of the manufacturing overhead account

Question 3:

Radwan Company reports the following costs and expenses in August:

Factory utilities	\$ 7,500	Direct labor	\$ 35,000
Depreciation on factory equipment	6,100	Sales salaries	23,000
Depreciation on delivery trucks	2,000	Property taxes on factory building	1,200
Indirect factory labor	25,000	Repairs to office equipment	600
Indirect materials	41,000	Factory repairs	1,000
Direct materials used	72,000	Advertising	8,000
Factory manager's salary	4,000	Offices supplies used	1,500

Required: Determine the total amount of:

- a. Manufacturing overhead
- b. Product costs
- c. Period costs

<<< **Good Luck** >>>