

Q 4/ BAGHDAD Bicycles has been manufacturing its own wheels for its bikes. The variable manufacturing overhead is charged to production at the rate of %30 of direct labor cost. The direct materials and direct labor cost per unit to make the wheels are \$3.00 and \$3.60 respectively. The fixed manufacturing overhead is \$84,000. Normal production is 200,000 wheels per year.

A supplier offers to make the wheels at a price of \$8 each. If the bicycle company accepts this offer, all variable manufacturing costs will be eliminated.

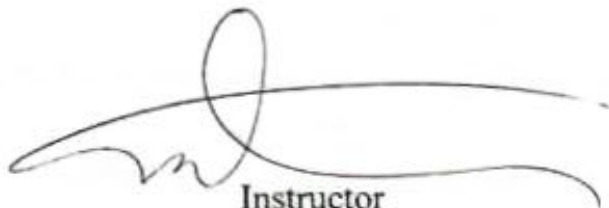
Required:

a. If the fixed manufacturing overhead will not be eliminated, should BAGHDAD Bicycles make or buy the wheels.

b. If 50% of fixed manufacturing overhead can use in other alternative, should BAGHDAD Bicycles make or buy the wheels.

------(15 Mark)

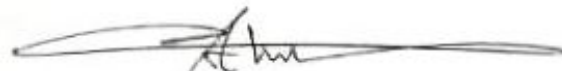
With my best wishes



Instructor  
Dr. MOHANAD MOHAMED



Head of Dept.  
Dr. ELHAM AL-SHAWI



Dean of College  
Dr. ABDULHUSIEN TAWFEEQ



ملاحظة // الاجابة على اربعة اسئلة توزع الدرجة بالنسب ( ١٩.٥ درجة لكل سؤال )

س ١ / في ١/١/٢٠٢١ اشترت شركة العظبة ٩٠% من اسهم شركة مفريد بسعر ١١٠٠٠٠٠ يورو واصبحت شركة مفريد شركة تابعة. وتمسك شركة العظبة بحساباتها بالدينار في حين ان شركة مفريد تقدم بياناتها باليورو. وقد ظهرت ميزانية الشركة التابعة عند التمسك على النحو التالي:

قائمة الميزانية في ١/١/٢٠٢١ (معدة باليورو)

البيان	
الموجودات	
التقنية	١٠٠٠
المخزون	٢٠٠٠
معدات	٧٠٠٠
مخصص اندثار معدات	(٢٠٠٠)
صافي المعدات	٥٠٠٠
مجموع الموجودات	٨٠٠٠
المطلوبات وحقوق الملكية	
المطلوبات	
مصاريف مستحقة الدفع	٣٠٠٠
حقوق الملكية	
راس المال	٢٠٠٠
راس المال الاضافي	٥٠٠
ارباح محتجزة	٢٥٠٠
مجموع المطلوبات وحقوق الملكية	٨٠٠٠

في ٣١/١٢/٢٠٢١ ظهر ميزان المراجعة في ٣١/١٢/٢٠٢١ (المبلغ باليورو)

البيان	ارصدة مدينة	ارصدة دائنة
التقنية	٣٠٠٠	
مدينون	٥٠٠٠	
المخزون	٤٠٠٠	
معدات	٧٠٠٠	
مخصص اندثار المعدات		٣٠٠٠
مصاريف مستحقة		١٠٠٠
راس المال		٢٠٠٠
راس المال الاضافي		٥٠٠
ارباح محتجزة ١/١		٧٥٠٠
المبيعات		٢٠٠٠٠
تكلفة المبيعات	١٠٠٠٠	
اندثار المعدات	١٠٠٠	
مصاريف ادارية وصومية	٤٠٠٠	
المجموع	٢١٠٠٠	٢١٠٠٠

كان سعر صرف اليورو مقابل الدينار في بداية عام ٢٠٢١ = ٠.٨ دينار / يورو وفي نهاية سنة ٢٠٢١ = ٠.٩ دينار يورو. ومتوسط سعر الصرف خلال العام ٢٠٢١ = ٠.٨٥ دينار / يورو  
المطلوب: ترجمة ميزان المراجعة واعداد القوائم المالية

س٢/ في ٢٠٢١/١٠/١ قامت شركة البصرة بشراء بضاعة من احدى الشركات الاجنبية بمبلغ ١٥٠٠٠٠٠٠٠ دولار وتم الاتفاق على سداد نصف المبلغ بتاريخ ٢٠٢٢/٣/١ والنصف الاخر ٢٠٢٢/٥/١ وقد كانت اسعار الصرف كالتالي:

٢٠٢١/١٠/١ ١ دولار = ١٢٥٠ دينار

٢٠٢١/١٢/٣١ ١ دولار = ١٣٥٠ دينار

٢٠٢٢/٣/١ ١ دولار = ١٤٠٠ دينار

٢٠٢٢/٥/١ ١ دولار = ١٤٥٠ دينار

المطلوب: اثبات العمليات اعلاه في دفاتر شركة البصرة

س٣/ اشرح تأثير العوامل الثقافية في تشكيل النظم المحاسبية على المستوى الدولي

س٤/ ما هي العوامل التي تؤثر في اختلاف التطبيقات المحاسبية على مستوى دول العالم وشرحها.

س٥/ اصدر مجلس معايير المحاسبة الدولية عدد من الاصدارات الخاصة بالاطار المفاهيمي، اشرح خصائص المعلومات المحاسبية.

أ.د. عبدالحسين توفيق شبلي  
العميد

أ.م.د. الهام جعفر الشاوي  
رئيس قسم المحاسبة

أ.م.د. منذر جبار داغر  
استاذ المادة

13- A device that measures what is Actually happening in the situation being controlled is:

- a - An ~~assessor~~      b- A detector.      c - An effector.      d- A communication

14- A company provides the following information, standard material price of \$75 per Kg, actual material price of \$70 per Kg, material price variance of \$156,000(F), what is the actual material quantity for actual production?

- a- 31,000 Kgs.      b-31,200 Kgs.      c-32,100 Kgs.      d-32,000 Kgs.

15- If you know that the standard labor cost per unit is (4 hrs. x \$7 per hr. = \$28), actual time per unit 3.5 hours, actual labor rate of \$7.50 per ,actual production 3,500 units ,total labor variance is:

- a- \$6,125(u).      b-\$7,000(F).      c-\$7,000(U)      d-\$6,125(F)

16- Using write-off to cost of goods sold approach , when standard cost variance are closed:

- a- Unfavorable variance increase cost of goods sold and favorable variance decrease cost of goods sold.  
b- Favorable variance increase cost of goods sold and un favorable variance decrease cost of goods sold.  
c-The cost of goods sold no effect.  
d-Both favorable and unfavorable variance decrease cost of goods sold.

17-If the production more than sale the income under absorption costing will be:

- a-Less than income under variable costing.      b- equal variable income costing  
c-More than income under variable costing.      d- no one of above.

18-If actual direct labor hours 4,500, standard labor hours 5,000 standard variable overhead rate \$5 per DLH, standard fixed overhead rate \$0.45 per DLH ,actual variable overhead \$24,750 and fixed overhead \$2,250, variable spending variance is:

- a- \$2,500 (U).      b-\$2,250(U).      c-\$2,250(F).      d-\$2,500(F)

19-Standard material price of \$70 per meter, actual material quantity for actual production 1,450 meters, material price variance of \$14,500 (U) what is the actual price?

- a- \$75 per meter.      b-\$70 per meter.      c-\$80 per meter.      d-\$80

20- The position of cost accounting in organizational structure falls:

- a- with production department.      b-is independent unit.  
c- with in finance department      d-other, specify.....

24  
14  
38

~r~

20 Marks

## Answer three of the following (10 marks for each)

Q 2// The Milano Company has established the following standard mix for producing 9 liters of product A:

5 liters of material X at \$ 7 per liter	\$35
3 liters of material Y at \$ 5 per liter	\$15
2 liters of material Z at \$ 2 per liter	\$4

A standard loss of 10% of input is expected to occur. Actual input was

53,000 liters of material X at \$7 per liter	371,000
28,000 liters of material Y at \$5.30 per liter	148,400
<u>19,000</u> liters of material Z at \$2.20 per liter	<u>41,800</u>
100,000	\$561,200

Actual output for the period was 92,700 liters of product A.

Required: compute the material mix and yield variance.

Q 3// Al Noor Company determines the standard overhead rates for 2022 based on 10,000 machine hours as a normal capacity. the standard time required to produce one unit is 4 machine hours. The budget variable overhead rate is \$70 per machine hour and fixed overhead costs are \$800,000. during 2022 the company produced 4,800 units of product and worked 20,400 machine hours. For the year actual overhead costs were \$2,888,400

Required: compute the overhead variance using 3- variances method.

Q 4// Al Bader Company produce the wood table the standard time to make one table is 2 hours. The standard labor rate is \$3,000 per hour, production during the month was 1,000 table. The normal hours worked were 2,200 hours, and overtime on day was 150 hours, normal idle time was 10 hours, and abnormal idle time was 5 hours. The both types of idle time have not recorded into normal hours neither into overtime. The actual labor rate was \$3,500 per hour.

Required (1) Compute the total cost of idle time.

(2) Compute the direct labor variance

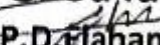
Q 5// IBM Company provide you the following data month of April 2023

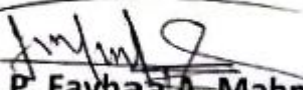
Actual data: direct material used of 7,200 Kgs at actual price \$2.1 per Kg. Direct labor of 3,000 hours at actual labor rate \$2.8 per hour, variable overhead costs \$2,500 and fixed overhead costs \$3,000, the cost variances occurred during the month are as follow:

Price variance \$750(U), quantity variance \$250(U), labor rate variance \$600(U), labor time variance \$600(U), controllable variance \$1,000(U), volume variance \$250(F). actual production was 1,500 units, standard cost for finished is \$26,070 and standard cost for units sold is \$15,000.

Required: Record the journal entries according to the partial method.

  
A.D. AbdulHuseen .T. Shabli  
Dean

**Good luck**  
  
A.P. D. Afham J. Hameed  
Head of Department

  
A.P. Fayha A. Mahmmmod  
Lecturer



Note: Answer three questions, with the first question being part of the answer.

ملاحظة: اجب عن ثلاث اسئلة، على ان يكون السؤال الاول من ضمن الاجابة.

Q 1/ BASRA Manufacturing produces a single product that sells for \$8. Variable costs per unit equal \$4. The company expects total fixed costs to be \$200.

Use CVP graph to find the following ( divide the X by 10 and Y by 100):

1. BEP of units and sales.
2. If the company produce and sale 40 units, what will be the operating income (loss or profit), by how much.
3. If the company want to get \$100 operating income, how many units must be sale.

------(20 Mark)

Q 2/ Answer 10 of the following sentences by True or False:

1. Work-in-process inventory are goods partially worked on but not yet completed.
2. To perform cost-volume-profit analysis, a company must be able to separate costs into fixed and variable components.
3. Breakeven point is that quantity of output where total revenues equal total costs.
4. In the graph method of CVP analysis, the breakeven point is the (X-axis) quantity of units sold for which the total revenues line crosses the total costs line.
5. A profit-volume graph shows the impact on operating income from changes in the output level.
6. If the selling price per unit is \$50 and the contribution margin percentage is 40%, then the variable cost per unit must be \$20.
7. The amount paid to purchase equipment last year is an example of a sunk cost.
8. Full costs of a product include variable costs, but not fixed costs.
9. Revenues that remain the same for two alternatives being examined are relevant revenues.
10. The cost of a machine purchased last year will be irrelevant in a decision for next year.
11. A cost may be relevant for one decision, but NOT relevant for a different decision.

------(15 Mark)

Q 3/ Assume the following cost information for Fernandez Company:

Selling price \$120 per unit  
Variable costs \$80 per unit  
Total fixed costs \$80,000  
Tax rate 40%

Required:

1. What is volume of sales dollars is required to earn an after-tax net income of \$30,000?
2. What is the number of units that must be sold to earn an after-tax net income of \$42,000?

------(15 Mark)

13- A device that measures what is Actually happening in the situation being controlled is:

- a - An assessor    **b- A detector.**    c - An effector.    d- A communication

14- A company provides the following information, standard material price of \$75 per Kg, actual material price of \$70 per Kg, material price variance of \$156,000(F), what is the actual material quantity for actual production?

- a- 31,000 Kgs.    **b-31,200 Kgs.**    c-32,100 Kgs.    d-32,000 Kgs.

15-If you know that the standard labor cost per unit is (4 hrs. x \$7 per hr. = \$28), actual time per unit 3.5 hours, actual labor rate of \$7.50 per, actual production 3,500 units, total labor variance is:

- a- \$6,125(u).**    b-\$7,000(F).    c-\$7,000(U)    **d-\$6,125(F)**

16- Using write-off to cost of goods sold approach, when standard cost variance are closed:

- a- Unfavorable variance increase cost of goods sold and favorable variance decrease cost of goods sold.  
b- Favorable variance increase cost of goods sold and unfavorable variance decrease cost of goods sold.  
**c-The cost of goods sold no effect.**  
d-Both favorable and unfavorable variance decrease cost of goods sold.

17-If the production more than sale the income under absorption costing will be:

- a-Less than income under variable costing.**    b- equal variable income costing  
c-More than income under variable costing.    d- no one of above.

18-If actual direct labor hours 4,500, standard labor hours 5,000 standard variable overhead rate \$5 per DLH, standard fixed overhead rate \$0.45 per DLH, actual variable overhead \$24,750 and fixed overhead \$2,250, variable spending variance is:

- a- \$2,500 (U).    **b-\$2,250(U).**    c-\$2,250(F).    d-\$2,500(F)

19-Standard material price of \$70 per meter, actual material quantity for actual production 1,450 meters, material price variance of \$14,500 (U) what is the actual price?

- a- \$75 per meter.    b-\$70 per meter.    c-\$80 per meter.    **d-\$80**

20- The position of cost accounting in organizational structure falls:

- a- with production department.    **b-is independent unit.**  
c- with in finance department    **d-other, specify.....**

20 Marks

101,500

~2~

## Answer three of the following (10 marks for each)

Q 2// The Milano Company has established the following standard mix for producing 9 liters of product A:

5 liters of material X at \$ 7 per liter	\$35
3 liters of material Y at \$ 5 per liter	\$15
2 liters of material Z at \$ 2 per liter	\$4

A standard loss of 10% of input is expected to occur. Actual input was

53,000 liters of material X at \$7 per liter	371,000
28,000 liters of material Y at \$5.30 per liter	148,400
<u>19,000</u> liters of material Z at \$2.20 per liter	<u>41,800</u>
100,000	\$561,200

Actual output for the period was 92,700 liters of product A.

Required: compute the material mix and yield variance.

Q 3// Al Noor Company determines the standard overhead rates for 2022 based on 10,000 machine hours as a normal capacity. the standard time required to produce one unit is 4 machine hours. The budget variable overhead rate is \$70 per machine hour and fixed overhead costs are \$800,000. during 2022 the company produced 4,800 units of product and worked 20,400 machine hours. For the year actual overhead costs were \$2,888,400

Required: compute the overhead variance using 3- variances method.

Q 4// Al Bader Company produce the wood table the standard time to make one table is 2 hours. The standard labor rate is \$3,000 per hour, production during the month was 1,000 table. The normal hours worked were 2,200 hours, and overtime on day was 150 hours, normal idle time was 10 hours, and abnormal idle time was 5 hours. The both types of idle time have not recorded into normal hours neither into overtime. The actual labor rate was \$3,500 per hour.

Required (1) Compute the total cost of idle time.

(2) Compute the direct labor variance

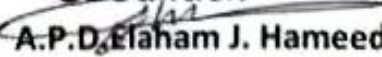
Q 5// IBM Company provide you the following data month of April 2023


Actual data: direct material used of 7,200 Kgs at actual price \$2.1 per Kg. Direct labor of 3,000 hours at actual labor rate \$2.8 per hour, variable overhead costs \$2,500 and fixed overhead costs \$3,000, the cost variances occurred during the month are as follow: Price variance \$750(U), quantity variance \$250(U), labor rate variance \$600(U), labor time variance \$600(U), controllable variance \$1,000(U), volume variance \$250(F). actual production was 1,500 units, standard cost for finished is \$26,070 and standard cost for units sold is \$15,000.

Required: Record the journal entries according to the partial method.

  
A.D. AbdulHuseen .T. Shabli  
Dean

Good luck

  
A.P.D. Elaham J. Hameed  
Head of Department

  
A.P. Fayha A. Mahmmod  
Lecturer



13- A device that measures what is Actually happening in the situation being controlled is:

- a - An assessor      b- A detector.      c - An effector.      d- A communication

14- A company provides the following information, standard material price of \$75 per Kg, actual material price of \$70 per Kg, material price variance of \$156,000(F), what is the actual material quantity for actual production?

- a- 31,000 Kgs.      b-31,200 Kgs.      c-32,100 Kgs.      d-32,000 Kgs.

15- If you know that the standard labor cost per unit is (4 hrs. x \$7 per hr. = \$28), actual time per unit 3.5 hours, actual labor rate of \$7.50 per ,actual production 3,500 units ,total labor variance is:

- a- \$6,125(u).      b-\$7,000(F).      c-\$7,000(U)      d-\$6,125(F)

16- Using write-off to cost of goods sold approach , when standard cost variance are closed:

- a- Unfavorable variance increase cost of goods sold and favorable variance decrease cost of goods sold.  
b- Favorable variance increase cost of goods sold and un favorable variance decrease cost of goods sold.  
c-The cost of goods sold no effect.  
d-Both favorable and unfavorable variance decrease cost of goods sold.

17-If the production more than sale the income under absorption costing will be:

- a-Less than income under variable costing.      b- equal variable income costing  
c-More than income under variable costing.      d- no one of above.

18-If actual direct labor hours 4,500, standard labor hours 5,000 standard variable overhead rate \$5 per DLH, standard fixed overhead rate \$0.45 per DLH ,actual variable overhead \$24,750 and fixed overhead \$2,250, variable spending variance is:

- a- \$2,500 (U).      b-\$2,250(U).      c-\$2,250(F).      d-\$2,500(F)

19-Standard material price of \$70 per meter, actual material quantity for actual production 1,450 meters, material price variance of \$14,500 (U) what is the actual price?

- a- \$75 per meter.      b-\$70 per meter.      c-\$80 per meter.      d-\$80

20- The position of cost accounting in organizational structure falls:

- a- with production department.      b-is independent unit.  
c- with in finance department      d-other, specify.....

24  
14  
38

~r~

20 Marks



Q 1// chose the correct answer:

1 -Any control system has four important elements : which element helps in comparing the result with the standard results?

a- A detector.    b- An effector.    c-An assessor.    d-communication network.

2- In the value chain the design activity is before the

a- R&D activity.    b- Production activity.    c-Marketing activity.    d-customer service.

3-Marley Company provides for July the following data: direct material standard quantity 3 meters per unit at standard price of \$420 per meter, direct labor standard time 2.5 hours per unit at standard labor rate of \$750 per hour, total budget overhead costs of \$800,000 , normal capacity 2,000 direct labor hours, and units produced are 720. The total standard cost per unit is:

a-\$4,531.    b-\$5,341.    c-\$4,351.    d-\$4,135.    3022

4-Fars Marine Stores Company manufactures decorative fittings for luxury yachts which require highly skilled labor, and special metallic materials. Fars uses standard costs to prepare its flexible budget. For the first quarter of 2021, direct material and direct labor standards for one of their popular products were as follows:

Materials: 1.5 pounds per unit; \$4.00 per pound

Labor: 2.0 hours per unit; \$18.00 per hour

During the first quarter, Fars produced 5,000 units of this product. Actual direct materials costs were \$29,750, Actual direct labor costs were \$184,800.

what is the direct materials cost variance?

a- \$250 F    b- \$250 U    c- \$480 F    d- \$480 U

5- When the actual materials mix % is greater than standard materials mix %, the variance is:

a- Favorable.    B- unboreable

c- neither favorable nor unfavorable

d- non of the above

6- Al saymer company's standard labor rates \$14.90 per hour and according to the standards each unit of output requires 2.8 DLHs in June 1,800 units were produced , the actual labor rate was 15.80per DLH and the actual hours were 5,110 DLHs the labor time variance for June would be recorded as a :

a- debit of \$1,106    b-credit of \$1,106    c- credit \$1,043.    d-\$debit \$1,043

76139  
5,040

7- If 20,000 kilograms of direct materials are purchased for \$14,400 on account and standard cost is \$70 per kilogram the journal entry to record the purchase is :

- a- Material inventory control      14,400  
    Accounts payable                    14,400
- b- work in process inventory control      14,400  
    Accounts payable                              14,000  
    Material quantity variance                    400
- c- Material inventory control              14,400  
    Accounts payable                              14,000  
    Material purchase price variance                    400
- d- Material inventory control              14,000  
    Material purchase price variance              400  
    Accounts payable                            14,400

8-- In flexible budget costs that remain the same regardless of the output level within the relevant range are:

- a- allocated cost.      b- budgeted costs.      c- fixed costs.      d-variable costs.

9- 2- A flexible budget: b

- a- is another name for management by exception,  
b- its developed at the end of the period.  
c- is based on the budgeted level of output.      d- provide favorable operating result.

10- In the flexible budget , fixed overhead costs are \$25,000 ,total standard overhead rate \$150 per hour, standard variable overhead rate \$120 per hour, actual hours 2,500 standard hours 2,200 standard time required to produce on unit 1/2 hour, flexible budget allowance for actual hours is:

- a- \$325,000.      b-\$300,000.      c-\$320,000.      d-\$275,000

11- Total budget overhead rate is computed per:

- a- Direct labor hour.      b-machine hour.      c-unit produced.      d-all the above

12- For fixed manufacturing overhead there is no:

- a- spending variance.      b-efficiency variance.  
c- flexible-budget variance.      d-production volume variance.