



## 注意事項：

1. 答案依序書寫於答案卷上，不必抄題。
2. 答案卷不可書寫任何可辨別個人姓名或特殊標記，違者不予計算。
3. 請於試題紙上填寫准考證號碼，繳卷時「試題」、「答案卷」一併繳回。

**Multiple Choices (90%):**

1. In the **budgeting and planning process** for a firm, which one of the following should be completed first?  
(A) Sales budget. (B) Financial budget. (C) Cost management plan. (D) Strategic plan.
2. The method that recognizes the time value of money by discounting the after-tax cash flows over the life of a project, using the company's minimum desired rate of return is the  
(A) Accounting rate of return method. (B) Net present value method. (C) Internal rate of return method. (D) Payback method.
3. The schedule of cost of goods manufactured of Jason, Inc. shows the following balances for its fiscal year-end.  
Direct manufacturing labor      \$ 280,000  
Manufacturing overhead      375,000  
Ending work-in-process inventory      230,000  
Raw materials used in production      450,000  
Cost of goods manufactured      1,125,000  
The value of the **work-in-process** inventory at the beginning of the fiscal year was  
(A) \$625,000. (B) \$250,000. (C) \$210,000. (D) \$20,000.
4. Costco produces 200,000 units of a good that has the following costs.  
Direct material costs      \$2,000,000  
Direct manufacturing labor costs      1,000,000  
Indirect manufacturing labor costs      600,000  
Costco's per unit **prime costs and conversion costs**, respectively, are (A) \$8 and \$15. (B) \$8 and \$18. (C) \$10 and \$8. (D) \$15 and \$8.
5. HP Company pays each member of its sales staff a salary as well as a commission on each unit sold. For the coming year, HP plans to increase all salaries by 5% and to keep unchanged the commission paid on each unit sold. Because of increased demand, HP expects the volume of sales to increase by 10%. How will the total **cost** of sales salaries and commissions **change** for the coming year?  
(A) Increase by 5% or less. (B) Increase by more than 5% but less than 10%.  
(C) Increase by 10%. (D) Increase by more than 10%.
6. Which one of the following is an advantage of using **variable costing**?  
(A) Variable costing complies with the Tax Laws.  
(B) Variable costing complies with generally accepted accounting principles.  
(C) Variable costing makes cost-volume relationships more easily apparent.  
(D) Variable costing is most relevant to long-run pricing strategies.
7. Bagel Company produces three products (A, B, and C) from a single process. Bagel uses the physical volume method to allocate joint costs of \$22,500 per batch to the products. Based on the following information, which product(s) should Bagel sell at the **splitoff point** in order to **maximize profit**?

	<u>A</u>	<u>B</u>	<u>C</u>
Physical units produced per batch	1,500	2,000	3,200
Sales value per unit at splitoff	\$10.00	\$4.00	\$7.25
Cost per unit of further processing after splitoff	3.05	1.00	2.50
Sales value per unit after further processing	12.25	5.70	9.75

  
(A) C only. (B) B only. (C) A and C only. (D) B and C only.

8. Kaplan Optics makes lenses for telescopes. Because Kaplan will only sell lenses of the highest quality, the normal spoilage during a reporting period is 1,000 units. At the beginning of the current reporting period, Kaplan had 2,200 units in inventory, and during the period, production was started and completed on 4,000 units. Units in inventory at the end of the current reporting period were 1,500, and the units transferred out were 3,000. During this period, the **abnormal spoilage** for Kaplan lenses' production was  
 (A) 700 units. (B) 1,000 units. (C) 1,700 units. (D) 3,200 units.

9. Acer Inc. estimates its total materials handling costs at two production levels as follows.

<u>Cost</u>	<u>Gallons</u>
\$160,000	80,000
\$132,000	60,000

What is the **estimated total cost** for handling 75,000 gallons? (A) \$146,000. (B) \$150,000. (C) \$153,000. (D) \$165,000.

10. The major components of an enterprise resource planning (**ERP**) system include all of the following except  
 (A) production planning. (B) accounting and finance. (C) integrated logistics. (D) customer relationship management.

11. Decathlon Inc. sells two products, Product E and Product F, and had the following data for last month.

	<u>Product E</u>		<u>Product F</u>	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Unit sales	5,500	6,000	4,500	6,000
Unit contribution margin	\$4.50	\$4.80	\$10.00	\$10.50

The company's **sales mix variance** is (A) \$3,300 favorable. (B) \$3,420 favorable. (C) \$17,250 favorable. (D) \$18,150 favorable.

12. The balanced scorecard provides an action plan for achieving competitive success by focusing management attention on critical success factors. Which one of the following is not one of the critical success factors commonly focused upon in the **balanced scorecard**? (A) Competitor business strategies. (B) Financial performance measures. (C) Internal business processes. (D) Employee innovation and learning.

13. Which one of the following is not a core principle of **total quality management (TQM)**?  
 (A) A focus on customers and stakeholders. (B) Participation and teamwork by everyone in the organization.  
 (C) A process focus supported by continuous improvement and learning. (D) A focus on technological breakthroughs.

14. Which one of the following is not an advantage of **activity-based budgeting**?  
 (A) Better identification of resource needs. (B) Linking of costs to outputs.  
 (C) Identification of budgetary slack. (D) Reduction of planning uncertainty.

15. Using an interest rate of 10% per year the net present value (NPV) of a project has been correctly calculated as \$50. If the interest rate is increased by 1% the NPV of the project falls by \$20. What is the **internal rate of return (IRR)** of the project?  
 (A) 7.5% (B) 11.7% (C) 12.5% (D) 20.0%

16. Apple company always determines its order quantity for a raw material by using the Economic Order Quantity (EOQ) model. What would be the effects on the EOQ and the total annual holding cost of a decrease in the cost of ordering a batch of raw material?

<u>EOQ</u>	<u>Annual holding cost</u>
(A) Higher	Lower
(B) Higher	Higher
(C) Lower	Higher
(D) Lower	Lower

17. Zack Inc. operates two divisions, which are treated as investment centers. Data for each division for Year 4 are as follows:

	<u>Division A</u>	<u>Division B</u>
Net income	\$65,000	\$140,000
Total assets	\$400,000	\$850,000

The company's required rate of return is 15%. The president wishes to evaluate the performance of these divisions and is not sure whether to use **return on investment (ROI)** or **residual income (RI)** as the performance measure. Which division performed better based on the ROI and RI performance measures?

- (A) Division A, because its RI is higher than that of Division B.
- (B) Division B, because its ROI and RI are higher than those of Division A.
- (C) Division A, because its ROI is higher than that of Division B.
- (D) Both (A) and (C) above.

18. Which of the following best describes the **function of management accounting** within an organization?

- (A) Its primary emphasis is the future. (B) Its primary emphasis is the past.
- (C) It focuses on the organization as a whole, rather than on the organization's segments.
- (D) It places more emphasis on precision of data than financial accounting does.

19. In the previous year, a company's total fixed manufacturing overhead costs were \$13,600 and its total variable production costs were \$15,000. There were no units in beginning inventory, 10,000 units were produced and 9,200 units were sold. How much lower is the operating income for the previous year using direct (variable) costing versus **absorption costing**?

- (A) \$1,192 (B) \$2,288 (C) \$1,088 (D) \$1,200

20. Which of the following statements about **transfer pricing** is true?

- (A) Division managers favor full-cost-based transfer pricing because it yields relevant costs for short-run decisions.
- (B) Distress price should be used for transfer price when the drop below historical average market price is temporary.
- (C) Negotiated transfer price promotes autonomy among division managers, but it can be time-consuming.
- (D) Use of market price motivates managers to deal with customers and suppliers in the external market.

21. Which of the following statements regarding the **allocation methods of common (service) costs** is true?

- (A) The direct method of common cost allocation ignores the services provided by a service department to itself and to all other service departments in the allocation process.
- (B) The step-down (sequence) method of common cost allocation ignores the services provided by a service department to itself and to all other service departments in the allocation process.
- (C) The reciprocal method of common cost allocation recognizes that services are provided by a service department to all other service departments in the allocation process.
- (D) Both (A) and (C) above.

22. Characteristics of a **responsibility accounting system** include all of the following except that

- (A) responsibility for performance according to budget must be linked to the appropriate authority.
- (B) the system should encourage employee involvement and participation.
- (C) cost centers are responsible for revenues as well as common costs.
- (D) each level of management is responsible for their department's operations and employees.

23. An **investment centre** is a segment of business in which the manager controls and is accountable for the segment's

- (A) operating profits and market share. (B) revenues and operating costs.
- (C) return on the resources invested. (D) revenues, operating costs and marketing costs.

24. Which of the following describes the core concept of **kaizen budgeting**?

- (A) Expenditures are budgeted on a program basis. (B) Budgets are initiated on an incremental basis.
- (C) Budgets are focused on the costs of the activities needed to produce and market the organization's products and services.
- (D) Continuous improvement is built into the budget figures.

25. A company makes one product and uses a standard cost system. Last month 4,500 units of the product were made, and the labor efficiency variance was \$8,000 favorable. The standards for direct labor are 2.5 hours per unit at \$16 per hour. What was the actual number of **direct labor hours** worked last month? (A) 11,750 (B) 10,750 (C) 12,500 (D) 11,050

26. A company produces three products, X, Y and Z, all using the same direct materials. The company is experiencing an unexpected spike in the demand for these products and a shortage in the supply of direct materials. The price of materials is \$16 per gram, and only 6,000 grams of material are currently available each week. Per unit data is as follows:

	<u>Product X</u>	<u>Product Y</u>	<u>Product Z</u>
Sales price	\$120	\$180	\$190
Costs:			
Direct materials	\$24	\$64	\$32
Direct labor	\$54	\$28	\$110
Variable manufacturing overhead	\$6	\$16	\$8
Fixed manufacturing overhead	\$1	\$38	\$7

In **what order** should the company produce its products? (A) X, Z, Y (B) Y, Z, X (C) Y, X, Z (D) X, Y, Z

27. Which of the following statements about **performance measures** is incorrect?

- (A) Return on investment is a productivity measure for evaluating performance of investment centers, e.g. strategic business unit.
- (B) Revenue per salesperson is a partial factor productivity measure for evaluating performance of revenue centers, e.g. sales department.
- (C) Units of output per direct labor hour is a partial factor productivity measure for evaluating performance of engineered expense centers, e.g. production department.
- (D) Units of output per dollar of production resources is a partial factor productivity measure for evaluating performance of engineered expense centers, e.g. production department.

Ross has developed a new device, which he hopes to produce and market on a large scale. Ross will rent a production space for \$500 per month and rent production equipment for \$800 per month. Ross estimates the material cost per unit will be \$5 and the labor cost per unit, \$3. Advertising and promotion will cost \$900 per month. She will hire workers and spend his time promoting the product.

28. The production **space rental** is a

- (A) sunk cost. (B) variable period cost. (C) variable product cost. (D) fixed product cost.

29. **Advertising** and promotion is a

- (A) variable product cost. (B) fixed product cost. (C) fixed period cost. (D) variable period cost.

30 The following statements relate to **responsibility centers**:

- (1) Return on capital employed is a suitable measure of performance in both profit and investment centers.
- (2) Cost centers are found in manufacturing organizations but not in service organizations.
- (3) The manager of a revenue centre is responsible for both sales and costs in a part of an organization.
- (4) The manager of a profit center is responsible for generating revenues and planning and controlling all expenses.

Which of the statements, if any, is true? (A) 1 only (B) 2 only (C) 3 only (D) 4 only.

**Question (10%):**

The following data is available for a company:

Selling price \$20 per unit

Variable manufacturing costs \$11 per unit

Variable selling costs \$3 per unit

Fixed factory overheads \$5,40,000 per year

Fixed selling costs \$2,52,000 per year

You are required to compute:

- (i) **Break-even point** expressed in amount of sales in dollars;
- (ii) How many units must be sold to earn a net income of 10% of sales?