

ACCY 121 Midterm Study Guide

Pforsich

#	Ch	Learning Objective	Questions	Description
1	2	1	1	Explain the basic concept of “cost.”
2	2	2	7	Explain how costs are presented in financial statements.
3	2	3	1	Explain the process of cost allocation.
4	2	4	1	Understand how material, labor, and overhead costs are added to a product at each stage of the production process
5	2	5	2	Define basic cost behaviors, including fixed, variable, semivariable, and step costs.
6	2	7	1	Understand the distinction between financial and contribution margin income statements.
7	3	1	7	Use cost-volume-profit (CVP) analysis to analyze decisions.
8	3	2	1	Understand the effect of cost structure on decisions
9	4	1	1	Use differential analysis to analyze decisions
10	4	2	2	Understand how to apply differential analysis to pricing decisions.
11	4	3	2	Understand several approaches for establishing prices based on costs for long-run pricing decisions
12	4	4	1	Understand how to apply differential analysis to production decisions.
13	4	5	1	Understand the theory of constraints
14	5	1	1	Understand the reasons for estimating fixed and variable costs
15	5	3	2	Estimate costs using account analysis.
16	5	5	2	Interpret the results of regression output.
17	7	3	1	Account for overhead using predetermined rates
18	8	1	1	Explain the concept and purpose of equivalent units.
19	8	2	3	Assign costs to products using a five-step process.
20	8	3	1	Assign costs to products using weighted-average costing.
21	8	5	1	Assign costs to products using first-in, first-out (FIFO) costing.
Total			40	