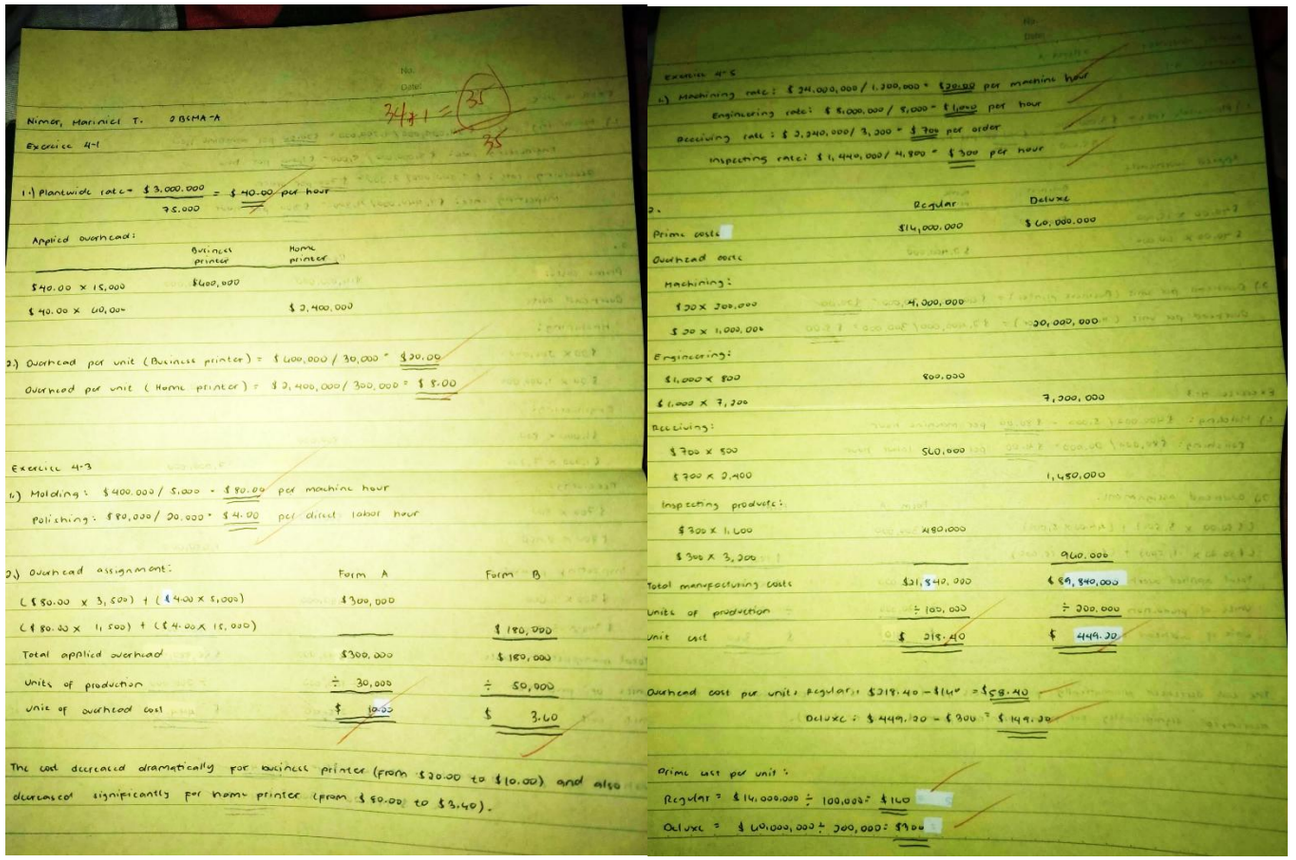
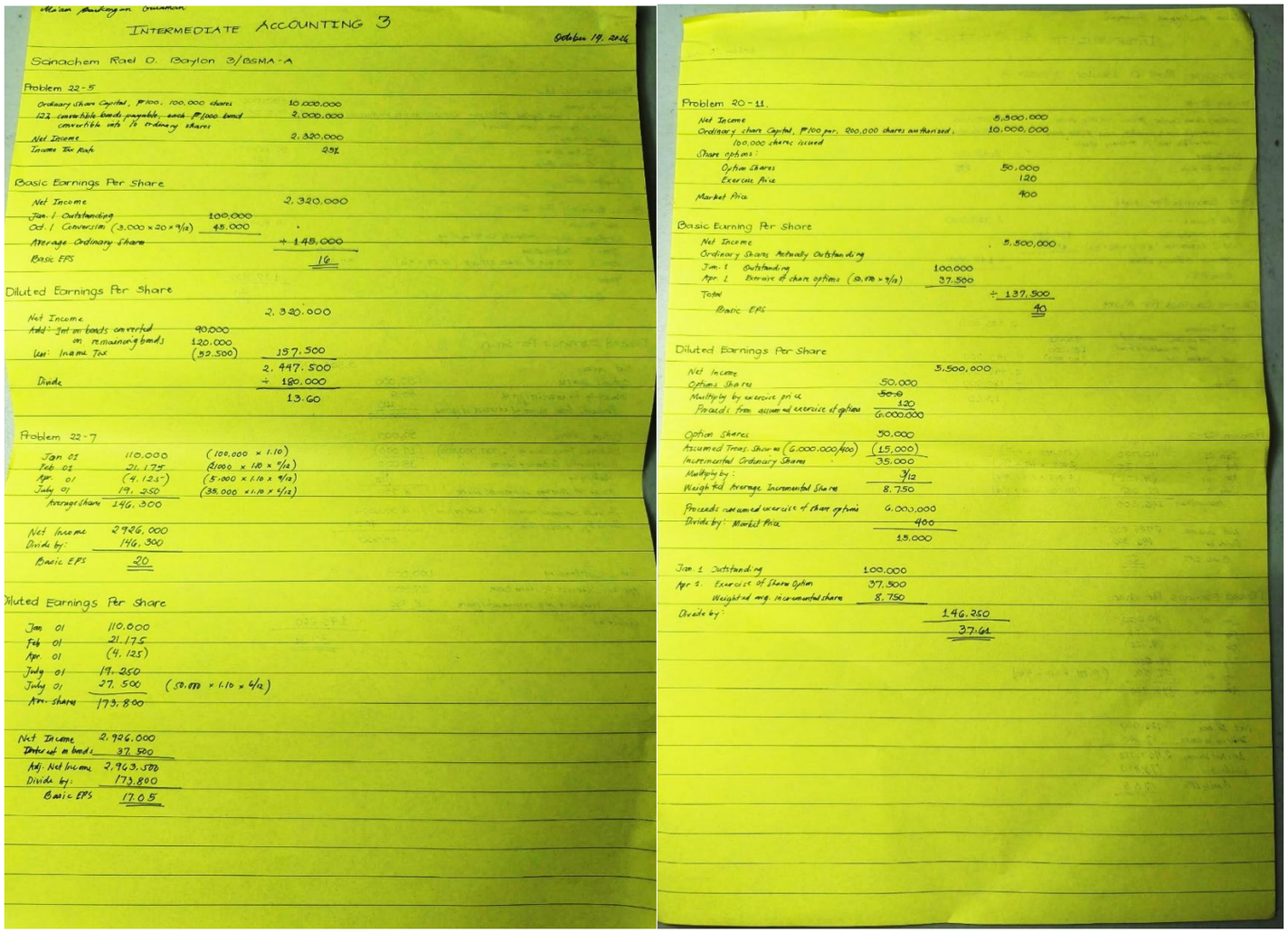
I.3. Assignments are designed to reinforce teaching which result to students maximum learning.



Problem solving assignment to reinforce learning.



INTERMEDIATE ACCOUNTING 3

October 19, 2024

Sanachem Rael D. Baylon 3/BSMA-A

Problem 22-5

Ordinary share Capital, ₱100. 100,000 shares 10,000,000
12% convertible bonds payable, each ₱1000 bond convertible into 16 ordinary shares 2,000,000
Net Income 2,320,000
Income Tax Rate 25%

Basic Earnings Per Share

Net Income 2,320,000
Jan. 1 Outstanding 100,000
Oct. 1 Conversion (3,000 x 20 x 9/12) 45,000
Average Ordinary share ÷ 145,000
Basic EPS 16

Diluted Earnings Per Share

Net Income 2,320,000
Add: Int on bonds converted 90,000
on remaining bonds 120,000
Less: Income Tax (32,500) 157,500
2,447,500
Divide ÷ 180,000
13.60

Problem 22-7

Jan 01 110,000 (100,000 x 1.10)
Feb 01 21,175 (1000 x 110 x 9/12)
Apr. 01 (4,125) (5,000 x 1.10 x 9/12)
July 01 19,250 (35,000 x 1.10 x 6/12)
Average shares 146,300

Net Income 2926,000
Divide by: 146,300
Basic EPS 20

Diluted Earnings Per Share

Jan 01 110,000
Feb 01 21,175
Apr. 01 (4,125)
July 01 19,250
July 01 27,500 (50,000 x 1.10 x 6/12)
Ave. shares 173,800

Net Income 2,926,000
Interest on bonds 37,500
Adj. Net Income 2,963,500
Divide by: 173,800
Basic EPS 17.05

Problem 20-11.

Net Income 5,500,000
Ordinary share Capital, ₱100 par; 200,000 shares authorized; 100,000 shares issued 10,000,000
Share options:
Option Shares 50,000
Exercise Price 120
Market Price 400

Basic Earning Per Share

Net Income 5,500,000
Ordinary Shares Actually Outstanding
Jan. 1 Outstanding 100,000
Apr. 1 Exercise of share options (50,000 x 9/12) 37,500
Total ÷ 137,500
Basic EPS 40

Diluted Earnings Per Share

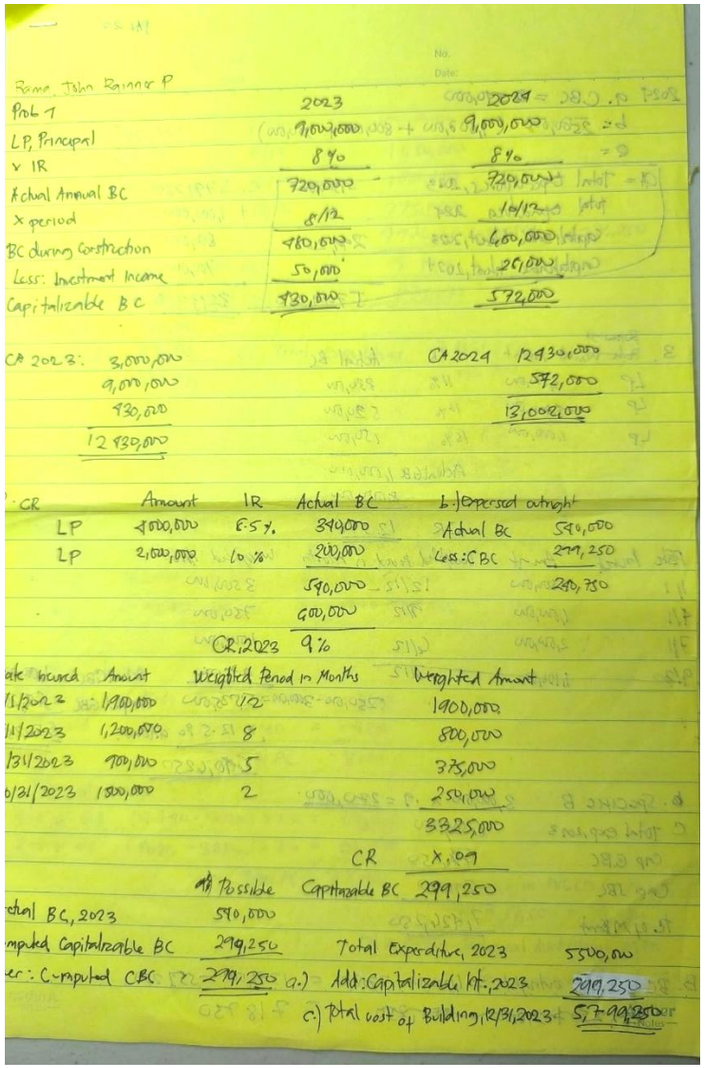
Net Income 5,500,000
Options Shares 50,000
Multiply by exercise price 120
Proceeds from assumed exercise of options 6,000,000

Option Shares 50,000
Assumed Treas. Shares (6,000,000/400) (15,000)
Incremental Ordinary Shares 35,000
Multiply by: 3/12
Weighted Average Incremental Shares 8,750

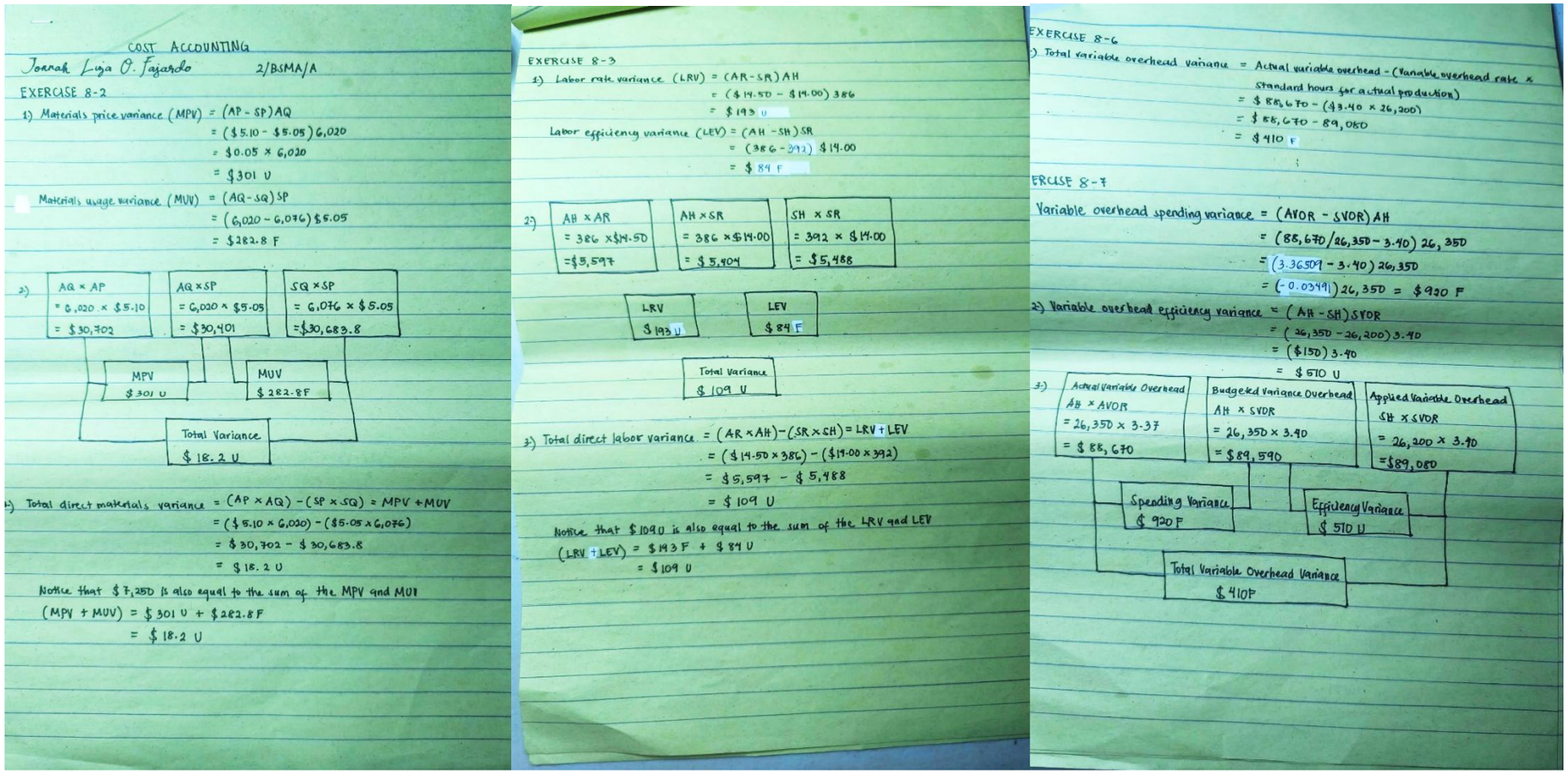
Proceeds assumed exercise of share options 6,000,000
Divide by: Market Price 400
15,000

Jan. 1 Outstanding 100,000
Apr. 1 Exercise of Share Option 37,500
Weighted avg. incremental shares 8,750
Create by: 146,250
37.61

Problem solving assignment to reinforce learning.



Problem solving assignment to reinforce learning.



COST ACCOUNTING
Joanah Liza O. Fajardo 2/BSMA/A

EXERCISE 8-2

1) Materials price variance (MPV) = (AP - SP)AQ
= ($5.10 - $5.05) 6,020
= $0.05 x 6,020
= $301 U

Materials usage variance (MUV) = (AQ - SQ)SP
= (6,020 - 6,076) $5.05
= $282.8 F

2) AQ x AP = 6,020 x $5.10 = $30,702
AQ x SP = 6,020 x $5.05 = $30,401
SQ x SP = 6,076 x $5.05 = $30,683.8
MPV $301 U
MUV $282.8F
Total Variance $18.2 U

3) Total direct materials variance = (AP x AQ) - (SP x SQ) = MPV + MUV
= ($5.10 x 6,020) - ($5.05 x 6,076)
= $30,702 - $30,683.8
= $18.2 U

Notice that $7,250 is also equal to the sum of the MPV and MUV
(MPV + MUV) = $301 U + $282.8 F
= $18.2 U

EXERCISE 8-3

1) Labor rate variance (LRV) = (AR - SR)AH
= ($14.50 - $14.00) 386
= $193 U

Labor efficiency variance (LEV) = (AH - SH)SR
= (386 - 392) $14.00
= $84 F

2) AH x AR = 386 x $14.50 = $5,597
AH x SR = 386 x $14.00 = $5,404
SH x SR = 392 x $14.00 = $5,488
LRV $193 U
LEV $84 F
Total Variance $109 U

3) Total direct labor variance = (AR x AH) - (SR x SH) = LRV + LEV
= ($14.50 x 386) - ($14.00 x 392)
= $5,597 - $5,488
= $109 U

Notice that $109 U is also equal to the sum of the LRV and LEV
(LRV + LEV) = $193 F + $84 U
= $109 U

EXERCISE 8-6

1) Total variable overhead variance = Actual variable overhead - (Variable overhead rate x Standard hours for actual production)
= $88,670 - ($3.40 x 26,200)
= $88,670 - 89,080
= $410 F

ERCISE 8-7

Variable overhead spending variance = (AVOR - SVOR) AH
= (88,670/26,350 - 3.40) 26,350
= (3.36509 - 3.40) 26,350
= (-0.03491) 26,350 = $930 F

2) Variable overhead efficiency variance = (AH - SH) SVOR
= (26,350 - 26,200) 3.40
= ($150) 3.40
= $510 U

3) Actual Variable Overhead: AH x AVOR = 26,350 x 3.37 = $88,670
Budgeted Variance Overhead: AH x SVOR = 26,350 x 3.40 = $89,590
Applied Variable Overhead: SH x SVOR = 26,200 x 3.40 = $89,080
Spending Variance $930 F
Efficiency Variance $510 U
Total Variable Overhead Variance $410F

Problem solving assignment to reinforce learning.