**TEST 1**

Ha Phuong Co. manufactures product A only. The company applies deductible method, VAT rate 10% and perpetual inventory system. The following information is available: (CU: 1.000VND)

A. Balance at 31/12/N-1:

Acc 154: **X1**

Acc 155: 922.500 (300 products A)

B. Transaction inccured in quater I:

1. Issued material for production purpose: 2.200.000

2. Direct labor cost: 935.000

3. Manufacturing overhead cost: 680.000

In which: Variable cost: 240.000

Fixed cost: 440.000

4. Disposal of an equipment with historical cost: 240.000, accumulated depreciation: 102.000. Revenue from disposal was received by cash at bank: 65.000. Cost of disposal paid by cash on hand: 3.500

5. At the end of period, some materials for production were unused, not sent back to the warehouse with value: 200.000

6. In quarter I/N, there were 990 finished products A, *in which:* 450 products were put into warehouse and 350 products were sold directly to company TH on credit with price exclude 10% VAT: **X3/**product, the remaining amount were sent on consignment to agent FT.

7. Sent out from the warehouse to sell for K Co.: 120 products A, with the price exclude 10% VAT: **X3/**product. K Co. had not paid for this payment.

8. Agent FT notified that 1/2 goods sent on consignment had been sold already. Agent FT transferred cash at bank after deducting commission fee. Commission fee (excl 10% VAT): 2% on revenue

9. K Co. returned 10 products A due to low quality. Company A agreed and put them into warehouse. K Co. paid by cash at bank after deducting the value of returned products (Credit note).

10. Selling expenses incurred: X2; Administrative expenses incurred: X3

11. Financial expenses incurred: X4; Financial income incurred: X5

12. Calculate business result, corporate income tax and profit after tax in quarter I/N.

**Requirements:**

1/ Give reasonable value X1, X2, X3, X4, X5 for profitable business results

2/ Calculate and make journal entries for the above transactions

3/ Prepare Income Statement of quarter I/N

***Additional information*:**

- Ending balance of Acc 154: 576.000

- The company applies weighted average method for calculating cost of goods sold/used.

- Normal capacity: 1.100 products/quarter. Labor cost is higher than normal cost: 10%

- Profit before tax = Taxable income, CIT rate 20%

**TEST 2**

Ha Phuong Co. manufactures product A only. The company applies deductible method, VAT rate 10% and perpetual inventory system. The following information is available: (CU: 1.000VND)

A. Balance at 31/12/N-1:

Acc 154: **X1**

Acc 155: 922.500 (300 products A)

B. Transaction inccured in quater I:

1. Issued material for production purpose: 2.200.000

2. Direct labor cost: 935.000

3. Manufacturing overhead cost: 680.000

In which: Variable cost: 240.000

Fixed cost: 440.000

4. Disposal of an equipment with historical cost: 280.000, accumulated depreciation: 102.000. Revenue from disposal was received by cash at bank: 53.000. Cost of disposal paid by cash on hand: 4.000

5. At the end of period, some materials for production were unused, then sent back to the warehouse with value: 200.000

6. In quarter I/N, there were 990 finished products A, of *which:* 450 products were put into warehouse and 240 products were sold directly to company TH on credit with price exclude 10% VAT: **X3**/product, the remaining amount was sent on consignment to agent FT.

7. Sent out from the warehouse to K Co.: 120 products A, with the price excluding 10% VAT: **X3/**product. K Co. had not paid for this payment.

8. Agent FT notified that 2/3 goods sent on consignment had been sold already. Agent FT transferred cash at bank after deducting commission fee. Commission fee (excl 10% VAT): 2% on revenue.

9. K Co. returned 10 products A due to low quality. Company A agreed and put them into warehouse. K Co. paid by cash at bank after deducting the value of returned products (Credit note).

10. Selling expenses incurred: X2; Administrative expenses incurred: X3

11. Financial expenses incurred: X4; Financial income incurred: X5

12. Calculate business result, corporate income tax and profit after tax in quarter I/N.

**Requirements:**

1/ Give reasonable value X1, X2, X3, X4, X5 for profitable business results

2/ Calculate and make journal entries for the above transactions

3/ Prepare Income Statement of quarter I/N

***Additional information*:**

- Ending balance of Acc 154: 576.000

- Normal capacity: 1.100 products/quarter. Labor cost is higher than normal cost: 10%

- The company applies FIFO method for calculating cost of goods sold/used.

- Profit before tax = Taxable income, CIT rate 20%