

MA Costing: Practice Drill #2 (suggested time: 7 minutes)

Social Distancing Inc.(SDI) had the following volume and expenses for the year:

	Volume	DM	DL	SG&A
June	120,700	1,038,481	2,600,000	800,000
July	69,800	598,435	1,440,000	764,000
August	53,900	460,845	1,175,020	756,000
September	86,500	742,957	2,000,000	776,000
October	119,650	1,028,896	2,620,000	800,000
November	105,800	905,641	2,360,000	790,000
December	84,010	720,804	2,000,000	780,000
January	61,600	530,341	1,360,000	760,000
February	101,900	870,946	2,240,000	790,000
March	126,000	1,079,962	2,760,000	804,000
April	139,660	1,194,093	3,044,588	810,029
May	106,980	917,935	2,400,000	790,000

You, CPA, are asked to perform a cost analysis to determine the direct labour cost per unit. You are asked to SDI's default high-low costing method.