

# Principles of Financial and Managerial Accounting II

## Introduction to Manufacturing

The next lecture introduces accounting students to a topic that will be covered for the remainder of the semester. The lecture assumes students have had certain common experiences. In order to prepare for the upcoming material, **before Monday's lecture**, students are urged to accomplish the activities described below.

- I. Please note in the syllabus that there is homework assigned for Monday. The problem is from Chapter 20 and also serves as an introduction to the material that will be covered for the remainder of the semester.
- II. Assuming it is true that "a picture is worth a thousand words," students are urged to complete a "virtual field trip" of an introduction to manufacturing operations available on the class web site at the following address:

<http://oruaccounting.com>

Monday's lecture assumes students have experienced the "virtual field trip" on the Internet. The note-taking guide on the next page should assist in recognizing some of the major lessons from the presentation. The object of the lesson is not to fill in every blank on the note-taking guide, but rather to see and learn from the presentation.



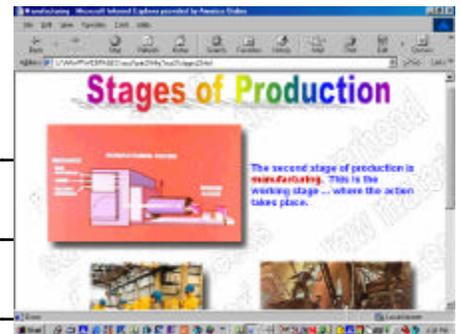
Please make an effort to be prepared for the presentation during next Monday's lecture by investing some time in preparation before class.

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## Introduction to Manufacturing

List the three stages of production:

1. the purchase and storage of \_\_\_\_\_
2. \_\_\_\_\_
3. storing and caring for the \_\_\_\_\_



Name the three inventory accounts which parallel the three stages of production:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Name the three "elements of cost":

1. Direct \_\_\_\_\_
2. Direct \_\_\_\_\_
3. \_\_\_\_\_



Name the three sub-parts of manufacturing (factory) overhead:

1. Indirect \_\_\_\_\_
2. Indirect \_\_\_\_\_
3. Other \_\_\_\_\_

