**2-20 Classify each of the following costs incurred in manufacturing bicycles as variable (V), fixed (F), or mixed (M) cost (using number of units produced as the activity measure). Also indicate whether the cost is direct material (DM), direct labor (DL), or overhead (OH).**

1. Factory supervision
2. Aluminum tubing
3. Rims
4. Emblem
5. Gearbox
6. Straight-line depreciation on painting machine
7. Fenders
8. Raw material inventory clerk’s wages
9. Quality control inspector’s salary
10. Handlebars
11. Metal worker’s wages
12. Roller chain
13. Spokes (assuming cost is considered significant)
14. Paint (assuming cost is considered significant)

**2-21 Wayside Machine Tool Company purchased a $600,000 welding machine to use in production of large machine tools and robots. The welding machine was expected to have a life of 10 years and a salvage value at time of disposition of $60,000. The company uses straight-line depreciation. During its first operating year, the machine produced 600 machines of which 480 were sold.**

1. What part of the $600,000 machine cost expired?
2. Where would each of the amounts related to this machine appear on the financial statements at the end of the first year of operations?