

Solve Any Five

Q.1. From the following particulars prepare a statement of cost:

Raw materials used TK 34000, Opening stock of materials Tk. 12000, Direct wages 14000 hours @ TK 2 per hour , Direct expenses TK 10000, Factory rent TK 4000, Factory insurance TK 6000, Indirect materials TK 5000, Sales Managers salary TK 5000, Selling Expenses TK 2000, Administrative Expenses TK 3000, Profit 20% on total cost of goods sold

Q.2. From the following information prepare a statement of cost:

Inventories	Opening (Tk)	Closing (Tk)
Raw Materials	10000	9000
Finished goods	12500	8500

Raw materials purchased Tk 250500. Direct labour cost Tk 120000. Factory overhead was 60% of direct labour cost. Administrative cost 10% of work cost. Selling expenses Tk 25500. Profit 25% on total sales.

Q.3. The following data are related to the manufacture of a standard product during the month of January 2018. Raw materials consumed Tk.150000. Direct wages Tk.180,000. Factory overhead was Tk.120000. Administrative overhead was Tk 45000. Selling overheads were Tk35000. Profit 20% on total cost of goods sold. During the month the company produced and sold 5000 units. The company plans to sell 6000 units next month. Material prices and wages rate and are expected to increase by 10% and 15% respectively. 40% of factory overhead is variable. Other costs will remain unchanged. Profit 25% on total cost of goods sold. You are required to prepare a statement of cost for the month February 2018.

Q.4. The following data are related to the manufacture of a standard product during the month of December 2008. Raw materials consumed Tk.400000. Direct wage Tk.300000. Factory overhead was 75% of direct wages. Administrative overhead 20% of works cost. Selling overheads were Tk. 15000. Profit 20% on total cost of goods sold. During the month 5000 units were produced and sales were 4000 units. The company plans to sell 5000 units next month. Wages rates and material prices are expected to increase by 20% and 10% respectively. Factory overhead is applied on the basis of direct wages (Factory overhead rate will remain unchanged). Other costs will remain unchanged. Profit 20% on total cost of goods sold. You are required to prepare a statement of cost from the above.

Q.5.

The records of the Sunlight Company show the following information for the year ended 31 st Dec. 2010:			
Raw Materials used in Production	Tk	Other Factory expenses	Tk 4600
20000		Miscellaneous expenses	Tk 4000
Productive labour	Tk	Sundry Administrative Expenses	Tk 3500
13000		Depreciation	Tk 1200
Unproductive factory labour	Tk 7000	(75% Manufacturing, 15% Administrative and 10% Selling)	
Factory Supplies	Tk 2900		
Sales Salaries	Tk 5000		
Administrative Salaries	Tk 8000		
Goods completed and sold during the period was 5000 units and sales price per unit was Tk 18.			
Required: Prepare a statement showing the total cost of goods manufactured and profit earned.			

Q.6.The following data are related to the manufacture of a standard product during the month of December 2010. Raw materials consumed Tk.85000. Direct wage Tk.120,000. Factory overhead was 60% of direct wages. Administrative overhead was Tk 15000. Selling overheads were Tk5000. Profit 20% on total cost of goods sold. During the month production and sales were 4000 units.

The company plans to sell 5000 units in the next month. Wages rates and material prices are expected to increase by 20% and 10% respectively. Factory overhead is applied on the basis of direct wages cost. Other costs will remain unchanged. Profit 20% on total cost of goods sold. You are required to prepare a statement of cost from the above.

Q. 7. From the following information prepare a statement of cost:

Opening Stock of Raw Materials Tk. 25000	Closing Stock of Raw Materials Tk. 30000
Opening Stock of Finished Goods Tk. 30000	Closing Stock of Finished Goods Tk. 35000
Opening Stock of Work in Process Tk. 20000	Closing Stock of Work in Process Tk. 10000

Raw materials purchased Tk. 455000. Direct labour cost Tk. 320000. Factory overhead was 75% of direct labour cost. Administrative expenses Tk. 45000 and selling expenses Tk. 25000. Profit 30% on total sales.

Q.8. Cost analysis of Electro Ltd. showed that cost of materials was Tk. 80000 and direct labour cost accounted for 60% of prime cost. Factory overhead was applied at 75% of direct labour cost. During the period, 2900 units were produced of which 2500 units were sold @ rate of Tk. 200 per unit. Administrative and selling expenses were Tk. 35000 Tk. 25000 respectively. Prepare a statement of cost showing total cost of goods sold and profit.

Q.9. The Noor Chemical Company started production from 1st January. From the following particulars obtained from the books of account calculate cost of materials and prepare a cost sheet showing cost of goods sold and net profit:

	Taka
Total Manufacturing Cost (Works cost)	2,70,000
Direct Wages paid	72,500
Sales	2,67,000
Administrative Expenses	20,000
Selling and Distribution Expenses	11,300
Direct Wages accrued	2,500
Work-in-Progress, 31 st December	15,000
Finished goods, 31 st December	22,000

Factory Overhead constitutes 120% of the direct labour cost.