

Cost Sheet Assignment

Illustration 1. Calculate prime cost from the following information:-

Direct material - Rs. 40,000, Direct labour - Rs. 30,000 Direct expenses - Rs. 25,000

Illustration 2. Calculate prime cost from the following information:-

Opening stock of raw material = Rs. 12,500
 Purchased raw material = Rs. 75,000
 Expenses incurred on raw material = Rs. 5,000
 Closing stock of raw material = Rs. 22,500
 Wages Rs. 47,600 Direct expenses Rs. 23,400

Illustration 3. Calculate works cost or factory cost from the following details:-

Raw material consumed = Rs 50,000
 Direct wages = Rs 20,000
 Direct expenses = Rs 10,000
 Factory expenses 80% of direct wages
 Opening stock of work in progress = Rs 15,000
 Closing stock of work in progress = Rs 21,000

Illustration 4. Calculate cost of production from the following information:-

Raw material purchased = Rs 42,500 ✓
 Freight paid = Rs 5,000 ✓
 Labour charges = Rs 12,500
 Direct expenses = Rs 10,000
 Factory overhead 80% of Direct labour charges
 Administrative overhead = 10% of work cost

64,150

	Opening stock	Closing stock
Raw material	8,000 ✓	10,000 ✓
Work in progress	7,500	9,000

Illustration 5. Prepare cost sheet from the following particular in the book of B. M. Rehman

Raw material purchased = Rs. 1, 20,000 ✓
 Paid freight charges = Rs 10,000 ✓
 Wages paid to laborers = Rs 35,000
 Directly chargeable expenses = Rs 25,000
 Factory on cost = 20% of prime cost
 General and administrative expenses = 4% of factory cost
 Selling and distribution expenses = 5% of production cost
 Profit 20% on sales

	Opening stock	Closing stock
Raw material	15,000 ✓	20,000 ✓
Work in progress	17,500	24,000
Finished goods	20,000	27,500