

**PRINCIPLES OF COST ACCOUNTING (IFN 2109)**  
**BITAM YEAR 2**

**TEST TWO**

**Instructions:**

This paper consists of TWO questions. Attempt ALL questions.  
Time allowed is 60 MINUTES

**DATE: 26<sup>ND</sup> FEBRUARY, 2024**

**QUESTION ONE**

You are given the following data related to the budgeted cost and price of a single product.

	<b>TZS "000"</b>
Selling price	20
Variable manufacturing cost } per unit	12
Variable selling cost }	2
Fixed overheads	792,000

**Required:**

Form the given data, calculate

- Break-even point expressed in amount of sales in TZS. (3 Marks)
- Number of units must be sold to earn a profit of TZS 10,000,000 per year (3 marks)
- Number of units must be sold to earn a profit of 12,000,000, after reducing the tax of 10% of profit (3 marks)

**(Total = 9 Marks)**

**QUESTION TWO**

Mr. Kazi Bure has employed three workers in his bricks factory at Msumbiji Zanzibar. The production details for these three works are given as follows:

Employees	Juma	Ali	Salim
Bricks produced	300	450	500
Time allowed for producing 20 units of bricks.	1 hour	1 hour	1 hour
Wage rate per hour (TZS "000")	9	'9	9

Normal working hours per day is 8 hours, for each employee.

**Required:**

By using Halsey Premium bonus methods of labour remuneration, calculate the daily wages for each worker. (6 Marks)