

QUESTION 1

The following is the financial particulars of Hayati Co. Sdn. Bhd. for the month of February 2011:

	RM
Carriage inwards	1,800
Carriage outwards	1,150
Purchase of materials	40,890
Stationery expenses	410
Canteen maintenance expenses	270
Direct labour wages: Factory	30,400
Salary: Office staff	5,500
Salary: Salesmen	3,200
Salary: Manager	4,300
Salesman commission	2,960
Rates	500
Advertisement expenses	2,200
Royalty	1,500
Factory: Rental	3,550
Depreciation of factory machineries	500
Depreciation of showroom furniture	250
Direct material on 1/2/2011	24,000
Direct material on 28/2/2011	19,800

Notes:

1. The canteen is used by 70% of factory workers, 20% of office staffs and 10% of sales department staff.
2. Rates are apportioned at 50% to factory, 30% to office and the remaining to sales department.
3. The manager spends 3/5 of his time in the office and the rest in the factory.
4. Accrued rental for factory amount to RM380.

POLITEKNIK
Jabatan Pengajian Politeknik

EXAMINATION AND EVALUATION DIVISION
DEPARTMENT OF POLYTECHNIC EDUCATION
(MINISTRY OF HIGHER EDUCATION)

COMMERCE DEPARTMENT

FINAL EXAMINATION
JUNE 2012 SESSION

P 3116 – BASIC COST ACCOUNTING

DATE : 22 NOVEMBER 2012 (THURSDAY)
DURATION : 2 HOURS (8.30AM – 10.30AM)

This is a paper consists of **SEVEN (7)** pages including the front page.
STRUCTURED (4 QUESTION – ANSWER ALL)

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(b) Below are details related to 3 workers at Adiwira Factory Ltd.

	Tuah	Jebat	Kasturi
Units produced	1650	1450	2000
Time allowed (per unit)	2.3min	1.8 min	1.5 min
Times taken	50 hours	40 hours	40 hours
Rate per hour	RM 1.50	RM 2.00	RM 2.20

Calculate these 3 workers remuneration based on:

- i. Halsey Scheme
- ii. Rowan Scheme
- iii. Halsey Rowan Scheme

(12 marks)

You are required to:

- (a) Prepare a cost statement for the month ended 28 February 2011. (20 marks)
- (b) Calculate the profit per unit if the company produces 5,700 units for that month whereby one unit will be sold for RM16 (presuming there is no opening stock and closing stock for finished goods). (2 marks)
- (c) Define direct expenses and give **TWO(2)** examples of direct expenses. (3 marks)

QUESTION 2

- (a) Below are the transactions for purchases & issuance of a material by Red Moon Ltd during August 2010. On 1st August this company had 450 units at RM 12.50 per unit as an opening stock.

Date	Receipt		Issues
	Quantity	Price (RM)	Quantity
Aug 2	1770	10.50	
5	2400	11.00	
7			1220
10			500
15			2000
18	1000	9.50	
20	640	12.50	
			1 500
25	200	11.50	
28			1 000

- Prepare a stock accounts using FIFO method and show the value of closing stocks (13 marks)

Required:

- (a) Prepare an Overhead Analyses Sheet for the year ended 31 December 2010.
(19 marks)
- (b) Calculate the predetermined overhead absorption rate for each production department using:
- Department X: Direct labour hours (2 marks)
 - Department Y: Machine hours (2 marks)
 - Department Z: Machine hours (2 marks)

QUESTION 3

Cool Sdn Bhd is a manufacturing company operating three production departments, Department X, Department Y and Department Z, to produce a product called BESTA. The company also has a Maintenance Department as its service department. The company has produced the following budgeted cost statement for the year ended 31 December 2010.

Item Cost	Department X (RM)	Department Y (RM)	Department Z (RM)	Maintenance Department (RM)	Total Cost (RM)
Direct material	35,000	20,000	25,000	30,000	110,000
Direct labour	15,000	20,000	10,000	12,000	57,000
Indirect material	15,000	10,000	15,000	5,000	45,000
Indirect labour	12,000	17,000	10,000	7,500	46,500
Insurance on machinery	-	-	-	-	5,000
Factory administrative and personnel	-	-	-	-	7,500
Insurance (building)	-	-	-	-	7,200
Rent and rates	-	-	-	-	5,000
Cost of production	-	-	-	-	283,200

Additional information:

Items	Production Department			Service Department
	Department X	Department Y	Department Z	Maintenance Department
Area occupied (square meters)	6,500	4,000	2,500	4,000
Machine value (RM)	60,000	55,000	40,000	55,000
Number of employees	55	60	65	50
Direct labour hours	1,500	1,000	2,000	-
Maintenance services hours	6,000	2,200	4,500	-
Machine hours	2,100	1,800	1,600	-

QUESTION 4

Stylish Furniture Manufacturing Co. produces all types of home furniture. Below are the standard information regarding per unit of table produced by the company:

Direct material	1 meter of wood	RM0.25 per meter
	1.25 kg of steels	RM0.60 per kg
Direct labor	12 minutes	RM5.00 per hour
Budgeted number of tables to be produced were 8,000 units per month.		

Actual information for the month of October 2010 is as below:

Direct material used	10,050 meters of wood	RM2,613
	12,000 kg of steels	RM7,080
Direct labour	2,400 hours	RM12,240
Actual numbers of tables produced were 10,000 units in that month.		

You are required to calculate the:

- (a) Material Price Variance (6 marks)
- (b) Material Usage Variance (6.5 marks)
- (c) Labour Rate Variance (6 marks)
- (d) Labour Efficiency Variance (6.5 marks)