

calculate prime cost, factory cost, cost of production, cost of sales and profit from the following particulars :

	\$		\$
Direct Materials	1,20,000	Depreciation :	
Direct Wages	40,000	Factory Plant	1,000
Wages of Foremen	5,000	Office Premises	12,500
Electric Power	1,000	Consumable Stores	5,000
Lighting: Factory	3,000	Manager's Salary	10,000
Office	1,000	Director's Fees	2,500
Store Keeper's Wages	2,000	Office Stationery	1,000
Oil and Water	1,000	Telephone Charges	250
Rent: Factory	10,000	Postage and Telegrams	5,000

- *Office rent* *Repairs and Renewals* :*Factory Plant*
Office Premises *Transfer to Reserve* *Dividend*
Paid 2,500 3,500 1,000 2,000 1,000
- *Salesmen's Salaries* *Travelling Expenses*
Advertising *Warehouse Charges* *Sales* *Carriage*
Outward
- *Income-tax*
- 2,500 1,000 3,000 1,000 3,80,000 800
- 15,000

<i>Particulars</i>	<i>\$</i>	<i>\$</i>
Direct Materials		1,20,000
Direct Wages		40,000
		1,60,000
Prime Cost		
<i>Add: Factory Overheads :</i>		
Wages of Foreman	5,000	
Electric Power	1,000	

Storekeeper's Wages	2,000	
Oil and Water	1,000	
Factory Rent	10,000	
Repairs and Renewals - Factory Plant	3,500	
Factory Lighting	3,000	
Depreciation - Factory Plant	1,000	
Consumable Stores	5,000	
		31,500
		1,91,500
Factory Costs		
<i>Add: Administration Overheads</i>		
Office Rent	2,500	
Repairs and Renewals - Office Premises	1,000	
Office Lighting	1,000	
Depreciation : Office Premises	2,500	
Manager's Salary	10,000	
Director's Fees	2,500	
Office Stationery	1,000	
Telephone Charges	250	
Postage and Telegrams	500	
		21,250
		2,12,750
Cost of Production		
<i>Add: Selling and Distribution Overheads</i>		
Carriage Outward	800	
Salesmen's Salaries	2,500	
Travelling Expenses	1,000	
Advertising	3,000	
Warehouse Charges	1,000	
		8,300
Cost of Sales		2,21,050
Profit		1,58,950
Sales		3,80,000