COMPETITIVE ENTRANCE EXAMINATION INTO HTTTC BAMBILI	
CYCLE: 1ST CYCLE **LEVEL: 1ST YEAR** **OPTION:ACCOUNTANCY**	**Session: 2011**
DURATION: 3hrs	

INSTRUCTION: You are allowed to use OHADA plan of accounts and non – programmable

You are on three months' probation in an accountancy film and your head of department heads the following file into you for appropriate treatment:

File one: standard costing

File two: Company accounting and taxation

File three: Company accounting

File four: End of year adjustments

FILE STANDARD COSTING (20mrk)

DENA is a firm located in Bambui and is specialized in manufacturing for sale of a product H through two workshops as follows

- Workshop 1: Its manufactures a unit of intermediate product B from 0.6kg of raw material M_1
- Workshop 2: Its manufacture a unit of finished product H from the raw material M_2 and 1.5units of intermediate product B.

The following information was provided for the normal activity:

- Workshop 1:
  - Raw material M_1 Direct labour: 2,700kg at 900F each
  - Direct labour: 1,800hours at 1,500F each

- Overhead manufacturing expenses: 0.65 per unit of finished product for a total of 3,900,000F of which 1,462,500F of fixed expenses

➢ Workshop 2:

- Raw materials M_2: 1,950kg at 2,050F each.
- Direct labour: 1,800hours at 2,300F each.
- Overhead manufacturing expenses: m0.65 per unit of finished product for a total of 3,900,000F of which 1,462,500F of fixed expenses.
- Overhead absorption base: kg of raw materials consumed.

For May 2010, the following entries were made:

➢ Opening stock:

- Raw material M_1 : 700kg at 1,200F each
- Raw material M_2 : 900kg at 2,000F each
- Finished product H : 1,000 units at 6,450F each
- Finished product H in process: 500 units at 4,560F each

➢ Purchases:

- Raw material M_1 : 33,000kg at 1,000F each
- Raw material M_2 : 2,100kg at 2,250F

➢ Direct labour :

- Workshop 1: 2,500 hours at 1,300F each
- Workshop 2: 1,950 hours at 2,350F each

➢ Overhead absorption rate:

- Workshop 1: 1,400
- Workshop 2: 2.250

➢ Closing stock:

- Raw material M_1 : 400kg at 1,0350F each
- Raw material M_2 : 550kg at 2,175F each

- Finished product H: 1,250 units at 6,800F each
- Finished product H in process: 800 units at 3,800F each

Elements	Product in Process	
	Opening stock	Closing stock
Raw material Direct labour Overhead manufacture expenses	10% 90% 60%	100% 70% 90%

Required

1.1. Prepare the unit standard cost of finished product H

1.2. Prepare the comparison table between the actual cost and the standard cost of the intermediate product B and the finished product H

1.3. Make the analysis of the raw material M_2 total variance by calculation

1.4. Make the analysis of the direct labour workshop 1 total variance by calculation

1.5. Prepare the flexible budget in workshop 2 for 2,500kg and 1,500kg

1.6. Make the analysis of the overhead manufacturing expenses workshop 2 total variance by calculation

FILE 2: COMPANY ACCOUNTING AND TAXATION (20mrks)

The following information was provided as for GOTA Company

Code number	31/12/2008	31/12/2008
1011	28,350,000	12,150,000
1012	-	16,200,000
1013	106,650,000	106,350,000

109	28, 350,000	12,150,000
111	2,365,200	4,665,200
112	3,689,500	6,6689,500
118	2,825,900	6,825,900
121	-	1,640,500
129	2,600,000	-
137	-	28,500,000
138	-	11,500,000
4616	4,050,000	-
4617	16,310,250	-

GOTA is a public limited set up on 15/10/2001 with capital made up of shares in kind and shares in cash. The contribution in kind (industrial building) was paid on 01/11/2007 whereas, the contribution in cash was paid up to 2/5 by bank ebequo on 15/11/2008, however, and some holders of shares in cash paid up to 80% of their subscription.

Registration fees were paid by bank cheque on 17/11/2007.

On 15/12/2009, the board of directors called up a part of cash contribution with due date of payment on 01/10/2010.

Required

2.1. Calculate the nominal value of a share

2.2 Calculate the number of shares in cash

2.3 Calculate the number of shares in kind

2.4 Calculate the number of shares paid by anticipation

2.5 Calculate the rate per annum of the lateness interest

2.6 Reconstitute the table of appropriation of the new profit for 2008 and calculate the value of r with the following information.

- Legal reserve according to the law
- Statutory reserve
- Optional reserve
- First dividend or statutory interest, r%
- The balance after deducting the carried forward should be appropriate as second dividend
- Net super dividend per share of 688F

FILE 3: COST ACCOUNTING (20mrks)

MAYA is an enterprise located in Bambili and it's specialized in the manufacturing for sale of two products P and Q from a single M. The manufacturing of finished product P entail a by – product B and that of the finished product Q entails a marketable residual product A. for the month of January 2010, the following information was provided:

- Opening stock:
  - ♣ Raw material M: 2000kg at 3 600F each;
  - ♣ Finished product P: 2 500units at 5 250F each;
  - ♣ Finished product Q: 1 000units at 5 310F each;
  - ♣ Finished product Q in process: 6 000 000F.
- Purchase of raw materials M: 8 000kg at 2 200F each on 05 / 01 / 2010 with transport expenses of 600 000F and 5 000kg at 2 000F each on 10 /01 / 2010 with transport expenses of 200 000F.
- Manufacturing requirements:

Finished product P	**Finished product Q**	**Raw material M**
1	/	0.80kg

/	1	0.75kg

- Issues of raw materials M:
  - ♣ Finished product P: 1000kg on 04 / 01 / 2010 and 7 000kg on 13 / 01 / 2010
  - ♣ Finished product Q: on 08 / 01 / 2010 and balance on 15 / 01 / 2010
- Data on overhead absorption analysis:

Element	**Cleaning**	**Personnel**	**Power**	**Supplying**
Primary total	7 700 000	8 160 000	5 780 000	6 740 00
Cleaning	/	20	10	30
Personnel	05	/	15	25
Power	10	05	/	30
Overhead absorption base	/	/	/	1000F of purchase

Workshop	**Distribution**	**Administration**
7 560 000	**5 476 000**	**6 333 0000**
40	**12**	**13**
40	**10**	**03**
40	**08**	**07**
Kg of material issued	**Unit of output sold**	**Cost of output sold**

- Manufacturing:

- ❖ Finished product P on 19 / 01/ 2010;
- ❖ Finished product Q on 23 / 01 / 2010;
- ❖ By – product B: 2500units

- Expenses incurred for the additional processing of the by – product B: 1000 000F
- Sales:
  - ❖ Finished product P: mark – up rate on sales 20% on 30/01/ product P:
  - ❖ mark – up rate on sales 20% on 30 / 01 / 2010 and 6 100units at 6300 F on 30/01/ 2010;
  - ❖ by – product B: 2 075F per unit:

Marketable residual product A: 2 400 000F

Commission on sales for finished product Q: 2 141 000F

- Closing stock:
  - ❖ Raw material M: 1 000 kg at 4 200 each;
  - ❖ Finished product P: 500 units 4 250F each;
  - ❖ Finished product Q: 2 000 units at 4 510 each.
- Other information:
  - ❖ There is no stock of by – product B;
  - ❖ The by – product B has undergoes an additional processing before its sale;
  - ❖ The profit and the distribution expenses of by – product BP worth 20% of its sale value;
  - ❖ Stock valuation method; weighted average cost after each receipt.

3.1. Prepare the overhead absorption apportioning table.

3.2. Calculate the purchase cost of raw material M.

3.3. Calculate the cost price of each finished product.

3.4. Calculate the cost of production of each finished product.

3.5. Calculate the costing result of each finished product.

FILE 4: END – OF – YEAR ADJUSTMENTS (20mrks)

The following information was provided on 31 / 12 / 2009 before end – of – year adjustment as for COPA enterprise:

- Marketing Security:

shares	Number	Entry value	Average cost	
			31/12/2008	31/12/2009
MOTO	60	85 000	78 000	82 000
NEROTEC	80	80 000	76 000	74 000
MANOTEC	100	70 000	65 000	62 000

50 shares NERTEC were disposed on 26 / 12 /2009 at 74 500F each by Gyro Bank Cheque No 568 and 40 shares MANOTEC were acquired on 23 / 12 / 2009 at 65 000F by Bank cheque No 596 with bank charges of 120 000F, no recording were made.

- Fixed assets:

Fixed assets	Entry date	Entry value
Original establishment expenses	01 /10 / 2006	/
Industrial equipment	/	2 00 000
Office equipment	/	38 000 000

Total depressions	**Net accounting**	**Method of calculation**	**Lifespan**
/	3 210 500	Straight	5 years
6 718 750	/	Straight line	/
23 564 125	/	Reducing balance	/

- Industrial equipment is made up of:
  - Machine A acquired on 01 / 06 / 2005
  - Machine B acquired on 01/10/2009 by debiting 485 "claims on disposal of fixed assets" by the credit of 2411 "industrial equipment" with the entry value of 13 000 000F;

    NB: Industrial equipment is depreciated at the same rate in respect of the straight line method.
- Office equipment is made up of :
  - ♣ Office equipment A acquired on 01 / 01 / 2006
  - ♣ Office equipment B acquired on 01 / 09 / 2005

NB: Office equipment depreciated in respect of the reducing balance method.

- **Statement of customers**

Customers	**Debts**	**Settlement**	**Previous depreciation**	**observation**
NINO	**10 207 800**	**5 890 950**	**20%**	**Increase the depreciation by 3%**
SAYA	**6 847 335**	**3 410 550**		**Untraceable**
TIYA	**4 283 460**			**In state of bankruptcy and we are**

				amongst unprivileged creditors

The situation of customer TIYA is as follow:

Total assets (20 000 000F of which 2 500 000F of original establishment); privilege debts, 7 500 000F: unprivileged debts, 25 000 000F.

4.1. Calculate the entry value of industrial equipment A.

4.2. Calculate the rate of depreciation of industrial equipment.

4.3. Calculate the entry value of each office equipment.

4.4. Prepare the statement of customers.

4.5. Prepare the statement of marketable shares.

4.6. Calculate the depression charge for 2009

4.7. Make the journal entries of the end – of – year adjustments