

PRINCE OF SONGKLA UNIVERSITY
FACULTY OF ENGINEERING

Final Examination : Semester II

Academic Year : 2006

Date : 23 February, 2007

Time : 13:30-16:30

Subject : 225-465: Value Engineering and Cost Analysis Room : R300

ทฤษฎีในการสอบ โทษขั้นต่ำคือ ปรับตกในรายวิชาที่ทฤษฎี และพักการเรียน 1 ภาคการศึกษา

Instruction:

1. Answer all questions.
2. All materials and calculator are allowed.

Questions:

1. Determine the production unit cost of new year card. Expected volume is 10,000 cards per day. You can decide all production information by yourself. (20 points)
2. XYZ company manufactures a product in type A and type B. Overhead is designed on the basis of direct labor hours. Budgeted overhead for the current year is ฿ 10,000,000. Other information is showed as below:

	Type A	Type B
Direct Material (฿)	750	560
Direct Labor Cost (฿)	90	40
Direct Labor Time (Hrs.)	8	4
Expected volume (Units)	25,000	200,000

- 2.1 Determine the unit cost of each type using traditional costing methods. (10 points)
- 2.2 XYZ company plans to adopt activity-based costing . Using the following activity center data, determine the unit cost of the two products using activity-based costing. (20 points)

Activity Center	Cost Driver	Overhead Cost for Activity(฿)	Units of Activity	
			Type A	Type B
Purchasing	Orders	420,000	2,000	4,000
Scarp reworks	Orders	1,080,000	1,500	3,000
Testing	Tests	2,250,000	20,000	55,000
Machine Related	Hours	6,250,000	100,000	150,000
Total Overhead		10,000,000		

Ans 2

3. Identify the cost drivers in activity-based costing related to cost lists as the following :
 - 3.1 material purchasing
 - 3.2 material handling
 - 3.3 equipment depreciation
 - 3.4 quality inspection
 - 3.5 indirect labor for equipment setups

(15 points)
4. What is COQ? List the COQ of rubber wood products for each type of COQ.

(20 points)
5. What are the differences between traditional costing systems and ABC?

(15 points)

prepared by

Assist.Prof. Kamron Pitaks

