Cambridge Assessment International Education

Cambridge International AS & A Level

ACCOUNTING **9706/43**

Paper 4 Cost and Management Accounting **October/November 2025**

INSERT **1 hour**

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INFORMATION

- This insert contains all of the sources referred to in the questions.
- You may annotate this insert and use the blank spaces for planning. **Do not write your answers** on the insert.

This document has **4** pages. Any blank pages are indicated.

DC (EV) 346259/3

Source A for Question 1

W Limited makes Product X and operates a standard costing system.

The budgeted selling price was $80 per unit, and the sales volume for March was 8000 units.

The standard cost per unit was as follows:

Direct materials	3 kilos at $5 per kilo
Direct labour	4 hours at $12 per hour
Fixed overhead	$2.50 per labour hour

Actual results for March:

			$
Units produced and sold	10 000	Sales revenue	795 000
Direct materials used	31 500 kilos	Direct materials cost	149 625
Direct labour hours	40 500 hours	Labour cost	510 300
		Fixed overhead	81 000

Source B for Question 2

GM Limited manufactures two products: Mini and Grand. Information for the previous year is as follows:

1 Direct costs were:

	Mini	Grand
	$	$
Direct material	148 000	282 000
Direct labour	57 000	93 000

2 Manufacturing overheads of $192 000 were traditionally apportioned to both products, based on direct labour hours. To price each product, the company added 90% to the total manufacturing cost.

3 Other information:

	Mini	Grand
Units produced and sold	5 000	3 600
Labour hours	6 600	11 000
Machine hours	25 000	19 600
Material orders	95	55
Inspection hours	810	880

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