

END TERM



**EXAMINATIONS  
SCHOOL OF EDUCATION AND SOCIAL SCIENCES**

**KITENGELA CAMPUS**

**THIRD SEMESTER, 2023/2024 ACADEMIC YEAR**

**EXAMINATION FOR THE DEGREE IN BUSINESS ADMINISTRATION**

**BBA:COST ACCOUNTING 1**

**STREAM: DEGREE  
EXAMINATION SESSION: 1  
DAY: MONDAY**

**TIME: 2 HOURS  
YEAR: 2024  
DATE: XXXXX**

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**INSTRUCTIONS:**

1. Attempt ALL the questions in **Section A**
2. Attempt any **Two** questions in **Section B**
3. The entire exam is worth forty (**40**) marks.
4. Write **ONLY** on the space provided on the answer sheet or as otherwise instructed.
5. Where necessary Show your work clearly.
6. Do **NOT** attempt to access any library, online (audio, video, digital or electronic) or paper based (written), sources for your answers unless this is clearly advised in the Question.

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**SECTION A (COMPULSORY)**

**QUESTION ONE**

- a) Explain the following terms in connection with Cost Accounting: (5 marks)
- i. Cost Statement
  - ii. Prime Cost
  - iii. Goods Received Notes
  - iv. Scrap
  - v. Material Requisition Note
- b) What are the advantages of Costing for a product. (5marks)

- c) Illustrate how one can set standard cost of an item , (5 marks)
- d) What are indirect expenses and indirect labour in a manufacturing process (5marks)

## **SECTION B (CHOOSE ANY TWO)**

### **QUESTION TWO**

- a) Differentiate, between standard cost and Estimated Costs . (5 marks)
- b) What are the objectives of labour control in a production process (5 marks)

### **QUESTION FOUR**

- a) What is the difference between Budget and Budgetary Control (5 marks)
- b) What is Value Chain Analysis and why is it important to a firm cost accountant (5 marks)

### **QUESTION FIVE**

- a) List 5 five basis that can be used in the absorption of overheads (5 Marks )
- b) Differentiate between cost accounting and Financial Accounting (5 marks)