



NATIONAL OPEN UNIVERSITY OF NIGERIA
PLOT 91, CADASTRAL ZONE, NNAMDI AZIKIWE EXPRESSWAY, JABI, ABUJA
FACULTY OF MANAGEMENT SCIENCES
2023/2 EXAMINATIONS.

COURSE CODE:	ACC306	CREDIT UNIT: 3
COURSE TITLE:	COST ACCOUNTING	
TIME ALLOWED:	2 ^{1/2} HOURS	
INSTRUCTIONS:	1. Attempt question Number one (1) and any other three 2. Question number 1 is compulsory and carries 25 marks, while the other questions carry 15 marks each 3. Present all your points in coherent and orderly manner	

Question 1

One of the major pricing systems is First in First out (FIFO), briefly discuss it and use the question below to support your answer.

Atama Ltd has the following transactions:

02/11/2019	Received	1,200 units at N1.00 per unit
04/11/2019	Received	300 units at N2.80 per unit
06/11/2019	Issued	700 units
09/11/2019	Received	600 units at N3.10 per unit
11/11/2019	Received	500 units at N3.20 per unit
16/11/2019	Issued	900 units
19/11/2019	Issued	400 units
22/11/2019	Received	800 units at 2.90 per unit
26/11/2019	Issued	1,000 units
30/11/2019	Received	200 units per unit

Question 2

- Explain five basic differences between cost accounting and financial accounting.
- Itemize any five advantages of operating central stores as compared with sub-stores.

Question 3

- State the merits/advantages of activity based costing.
- Discuss the relevance of coding or code number in materials transactions.