



NATIONAL OPEN UNIVERSITY OF NIGERIA
PLOT 91, CADASTRAL ZONE, NNAMDI AZIKIWE EXPRESSWAY, JABI, ABUJA
FACULTY OF MANAGEMENT SCIENCES
2025_1 EXAMINATION...

COURSE CODE: ACC306 **CREDIT UNIT: 3Units**

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**

1a) The Perpetual Inventory System.

1b) what are the advantages and disadvantages of Perpetual Inventory system.

1c) Explain the concept of Materials requisition. **(25Marks)**

2 Explain the following terms;

- a) Base Stock
- b) Weighted Average Price
- c) Current Market Price
- d) Highest In First Out (HIFO)
- e) Next In First Out (NIFO) **(3Marks each)**

3) List five typical expenses under the following Classifications of overheads;

1. Production Overhead
2. Administration overhead
3. Selling and Distribution overhead **(5Marks each)**

4) Describe your understanding on the following terms;

- a) Direct materials cost
- b) Indirect materials
- c) Direct Labour Cost
- d) Cost allocation
- e) Apportionment. **(3Marks each)**

5) Explain the following costing methods;

- a) Costing methods
- b) Job Costing
- c) Batch costing
- d) Contract costing
- e) Process costing **(3Marks each)**