



UNIVERSITY EXAMINATIONS

PART – TIME EXAMINATIONS

**EXAMINATION FOR THE AWARD OF THE DEGREE OF
BACHELOR OF EDUCATION (ARTS)**

LEVEL 1 BLOCK 2

SESSION EXAMINATION 2021/2022

[JULY, 2022]

BUST 311: MANAGEMENT ACCOUNTING 1

STREAM: L2 B2

TIME: 2 HOURS

DAY: THURSDAY 4.00 PM – 6.00 PM

DATE: 7/07/2022

INSTRUCTIONS

- 1. Do not write anything on this question paper.***
- 2. Answer question ONE [COMPULSORY] and any other TWO questions.***

QUESTION ONE

- Explain four attributes of a good accounting information. (8marks)
- Give the nature and scope of management accounting. (8marks)
- Explain five needs for management accounting information. (10marks)
- Define the term accounting. (4marks)

QUESTION TWO

- Explain four main environments within which management decisions can be made. (8mks)
- Assume that Umoja Ltd is trying to set the selling price for one of its products and three prices are under consideration. These are Shs. 4, Shs. 4.30 & Shs. 4.40
The following information is also provided

Alternatives

Conditions	Shs. 4.00	Shs.4.30	Shs.4.40
Best Possible	16,000	14,000	12,500
Most likely	14,000	12,500	12,000
Worst Possible	10,000	8,000	6000

Fixed costs = Shs.

20,000

Variable cost per unit= Shs. 2

Required:

Advice the company on the best price to set. (12marks)

QUESTION THREE

- Distinguish between management accounting and financial accounting. (12marks)
- Discuss the role of the management accountant in the management process. (8marks)

QUESTION FOUR

Comment on factors likely to affect the accuracy of the analysis of cost into fixed and variable components. (20marks)

QUESTION FIVE

Explain how the analysis of costs into fixed variable components is of use in planning, control and decision-making techniques used by the management accountant.

(20marks)