CONFIDENTIAL

UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL

FINAL EXAMINATION
JULY 2025 SEMESTER

COURSE CODE	:	EIB30503
COURSE NAME	:	MANAGEMENT ACCOUNTING
PROGRAMME NAME	:	BACHELOR OF BUSINESS ADMINISTRATION (HONS)
DATE	:	18 SEPTEMBER 2025
TIME	:	9.00 AM – 12.00 PM
DURATION	:	3 HOURS

INSTRUCTIONS TO CANDIDATES

1. **Please CAREFULLY read the instructions given in the question paper.**
2. **This question paper has information printed on both sides of the paper.**
3. This question paper consists of **FIVE (5)** questions.
4. Answer **ALL** questions.
5. Please write your answers on the answer booklet provided.
6. All questions must be answered in **English** (any other language is not allowed).
7. **This question paper must not be removed from the examination hall.**

THERE ARE SIX (6) PAGES OF QUESTIONS, EXCLUDING THIS PAGE.

(Total: 100 marks)

INSTRUCTION: Answer ALL questions.
Please use the answer booklet provided.

Question 1

Urban Mobility Sdn. Bhd. operates an electric scooter rental service in several Malaysian cities. The following information is available for the first quarter ended 31 March 2025:

1. Rental kiosk lease: RM36,000 per quarter.
2. Battery replacement cost: RM45 per scooter trip.
3. Mobile application platform fee: RM9,000 per quarter.
4. Technician salaries: RM72,000 per quarter.
5. Electricity charging cost: RM6 per scooter trip.
6. Supervisor salaries: RM2,000 per supervisor per month, with one supervisor required for every 10,000 trips.
7. The number of scooter trips completed is as follows:

Month	January	February	March
No. of trips	4,200	5,000	6,500

Required:

(a) Classify each of the above costs according to its cost behaviour. Give a brief reason for your classification.

(6 marks)

(b) Determine the total cost for each month.

(9 marks)

(c) A corporate client offers to rent 800 scooters for an event at RM70 per trip. A one-off cost of RM12,000 will be incurred for special branding, with no change to fixed costs. The company has idle capacity to fulfil the order. Calculate the total relevant cost for the event and determine the expected profit or loss from accepting the order. State whether the company should accept the offer, justifying your decision.

(5 marks)

[20 marks]

Question 2

Daya Sdn Bhd is a company that uses a raw material called "Chenta" in its manufacturing process. The following are the transactions for August 2025. The opening stock for the month was 500 units valued at RM3,000.

Date	Transaction Details	Units	Cost per unit (RM)	Total (RM)
August 5	Received	300	7	2,100
9	Issued	400		
15	Received	200	7.50	1,500
23	Returned to supplier from August 15, purchase	50		
30	Issued	250		

Required:

(a) Prepare the Store Ledger Card for August 2025 using the Last in First Out (LIFO) method.

(17 marks)

(b) State the cost of goods issued during August 2025 and the closing stock value at the end of August 2025.

(3 marks)

[20 marks]

Question 3

Happy Desserts specializes in making desserts named "The Minis" (TM) in which located in Klang Valley. The following information is available for TM during the year:

1. The selling price for each unit is RM15.
2. The current average monthly sales are 5,000 units.
3. For one unit of TM, the cost of ingredients such as chocolate coins, cream cheese, eggs, sugar, flour, and vanilla essence is RM5. For the topping of TM, Happy Desserts used fresh cream and fruits. The cost is RM2.

4. Happy Desserts hired Ms. Manisah as a baker, and she is paid RM10 per hour. She can produce 10 units of TM within one hour.
5. Other costs incurred per month are:

	RM
Rent and rates	1,500
Insurance	100
Depreciation of equipment	75

6. Packaging expenses amounted to RM1.50 per unit. The company also incurred RM2.50 delivery costs for each unit of TM.

Required:

(a) Classify the cost involved into variable cost per unit and total fixed cost per year for Happy Desserts.

(6 marks)

(b) Determine:

i. The contribution margin per unit.

(3 marks)

ii. The company's break-even points in units and value for the year.

(5 marks)

iii. The sales unit of "The Minis" that must be sold if the owners decide to have a margin of safety of 20,000 units per year.

(3 marks)

iv. The number of units of "The Minis" the company needs to sell in order to achieve a target net profit of RM150,000 per year.

(3 marks)

[20 marks]

Question 4

Astro Metals Bhd is a company that manufactures highly specialised aerospace components based on customer orders. The company applies a job order costing system where production overheads are absorbed using different bases for each department.

In June 2025, the company completed Job No. AX-77, which was a rush order placed by a government agency. The following cost and operational data relate to the job:

1. The direct materials used:

Item	Quantity	Unit Cost
Titanium sheets	900 kg	RM80 per kg
Micro-precision screws	2,000 pcs	RM1.50 per pc

2. The direct labour hours recorded:

Department	Hours worked	Rate per hour
Machining	160 hours	RM28
Finishing	120 hours	RM25

3. Additional direct expenses incurred for this job included RM4,000 for the hire of special inspection equipment and RM3,500 for external quality certification required to meet government standards.

4. The budgeted overheads and activity levels are shown below:

Department	Budgeted overheads	Budgeted activity level
Machining	RM300,000	10,000 machine hours
Finishing	RM200,000	8,000 direct labour hours

5. For Job AX-77, the Machining Department recorded 350 machine hours, and the Finishing Department recorded 120 direct labour hours.

6. Non-production overheads are calculated based on the total production cost as follows:

   a. Administrative overheads at 10% of total production cost.
   b. Selling and distribution overheads at 5% of total production cost.

7. As the job was classified as urgent, a surcharge of 5% is added to the total cost before calculating profit.

8. The company applies a 30% profit markup on the total cost, inclusive of the surcharge.

Required:

(a) Calculate the Overhead Absorption Rates (OAR) for the Machining and Finishing departments.

(6 marks)

(b) Prepare a Job Cost Sheet for Job No. AX-77, showing all cost components and the corresponding selling price.
Note: Round up all figures.

(14 marks)
[20 marks]

Question 5

ZM Creative produces handcrafts made of coconut shells. One of the company's products, named "HPX 2" was sold for RM120 each. The standard cost of producing 100 units of "HPX 2" is shown below:

	RM
Direct material	5,500
Direct labour (45 hours @ RM2)	900
Variable production overhead	1,200
Fixed production overhead	2,000
Total production cost	**9,600**

The company's normal production is 180,000 units per annum. The fixed selling and distribution cost per year is RM108,000. Variable selling and distribution cost is RM3 per unit.

Production and inventory data during the month of August is given below:

Production	11,000 units
Finished goods inventory on 1 August 2025	5,600 units
Finished goods inventory on 31 August 2025	3,200 units

Required:

(a) Determine the product cost per unit using marginal costing and absorption costing.

(4 marks)

(b) Prepare the income statement for August 2025 by using marginal costing approach and absorption costing approach.

(16 marks)

[20 marks]

END OF EXAMINATION PAPER