



KOMAR UNIVERSITY OF SCIENCE AND TECHNOLOGY (KUST)

COURSE SYLLABUS FOR COST ACCOUNTING			
Course Title	<u>COST ACCOUNTING</u>		
Course Code	<u>ACC 3315</u>	No. of Credits	<u>Three Credit Hours (3 CHs)</u>
Department	<u>Accounting</u>	College	College of Business
Pre-requisites Course Code	<u>ACC2310</u>	Co-requisite Course Code	Not Applicable (NA)
Course Instructor	Professor Dr. Kamal Al-Nakib,		
Email	Kamal.nakib@komar.edu.iq	Ext. & Office No.	Ext. 159 & Office 213
Course Other Teacher(s) /Tutor(s)	None		
Teaching Hours	Monday & Wednesday: 14:00 am - 15:30 am, each <u>Lecture Hall No. G06</u>		
Office & Students Consultation Hours	Sunday & Tuesday: 10:00 am - 12:00 pm Monday & Wednesday: 11:30 am - 12:00 pm <u>(Office No. 213)</u> Thursday: 13:00 pm - 14:00 pm Or by appointment, also you can send an email at any time to book for a consultation hours.		
Course Type	Departmental Core Course		
Offer in Semester & Academic Year	Spring 2016		
COURSE DESCRIPTION:			
<p>This course will discuss the conceptual frame work of cost accounting. Explain the cost principles, techniques, concepts, purposes, importance of cost system for measuring cost elements in order to find out the cost per unit. It also needs to discuss the classification bases of cost elements. Special focus on calculating of direct and indirect costs from one side and fixed, variable and mixed costs from another side, in order to prepare the cost sheet and income statement based on both Job-Order and Processing Costing Systems. This course deals with the cost flow for inventories, and explain the accounting treatment for commercial and manufacturing transactions. Analysis the cost behavior depending on cost element relationship with the activity volume in order to segregate the variable and fixed costs out of mixed costs. Explain the recording accounting system to journalize accounting entries in the cost records for both Job-Order-Costing System and Process- Costing System. Discuss the standard costing system and compute the favorable and unfavorable variances and explains how to record its accounting entries. And finally will discuss the joint product costs and by-product costs.</p>			
COURSE AIMS & OBJECTIVES:			
Upon completion of the course will achieve the following aims and objectives:			
<ul style="list-style-type: none"> ➤ To provide the basic Cost Accounting Principles and Techniques for identification the cost concepts, purposes of the cost and classification bases of cost elements; ➤ To equip students with skills and knowledge to identify and calculate different types of costs (direct, indirect, variable, and fixed costs and others); ➤ To distinguish between job-order-costing, process-costing systems in calculating the cost and 			



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recording the required entries in cost books;

- To be able to **ascertain** cost of each product, process, job, operation or service.
- To **explain** how to prepare the manufacturing cost sheets and income statements.
- To **demonstrate** how to determine the profitability of each product, process, job- order, operation or service.
- To **discuss** the standard costing system and **analyze** the favorable and unfavorable variances.
- To **discuss** the Joint-Product Costs and By-Product Costs and **explain** how to calculate the cost of different products before and after separation point?

COURSE INTENDING LEARNING OUTCOMES (CILOs):

After completing this course, students are expected and be able to:

- (1) **Understand** and properly **explain** the conceptual framework of Cost Accounting;
- (2) **Describe** costs elements by classification, behavior and purpose of cost accounting system in determining costs of products and services;
- (3) **Define, illustrate and distinguish** between direct and indirect costs from one side and between fixed and variable costs from another side;
- (4) **Know** how costs behave and their impact on decision-making;
- (5) **Understand** and **apply** the cost accounting techniques for **evaluation, analysis and application** in measuring the cost elements in order to find out the cost per unit or per order;
- (6) **Assess, measure, & evaluate** the cost flow of raw- materials in manufacturing companies.
- (7) **Compare, apply and contrast** the calculations of cost per order or per unit and journalizing the accounting entries in both Job-Order and Processing Costing Systems;
- (8) **Setting**, the standards costs and **analyzes** the cost elements favorable and unfavorable variances.
- (9) Problem solving within the context of cost accounting tools and techniques for joint products and by-products costs;

Skill set required: Level C: levels of knowledge, comprehension, application and analysis.

COURSE CONTENT:

Topic 1: Conceptual Framework of Cost Accounting;
 Topic 2: Cost Behavior and its impact on decision-making
 Topic 3: Accounting for Direct Raw-Materials Costs;
 Topic 4: Accounting for Direct Labor Cost;
 Topic 5: Accounting for Manufacturing, Marketing, Administrative, & Financial Overhead;
 Topic 6: Job-Order Costing System-Calculation the cost and journalizing the accounting entries;
 Topic 7: Process Costing System-Calculation the cost and journalizing the accounting entries;
 Topic 8: Standard Costing System and Variances Analysis;
 Topic 9: Joint Products and By-Products Costs;

GRADING POLICY:

<u>Grades</u>	<u>Letter</u>	<u>GPA</u>	<u>Grades</u>	<u>Letter</u>	<u>GPA</u>
95-100%	A	4.0	70-74%	C	2.0
94-90%	A-	3.7	65-69%	C-	1.7
87-89%	B+	3.3	60-64%	D+	1.3



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83-86%	B	3.0	55-59%	D	1.0
80-82%	B-	2.7	50-54%	D-	0.7
75-79%	C+	2.3	0-49%	F	0.0
Withdrawal	W	-	Incomplete	I	-

Note: Passing Grade is 65% and above

COURSE TEACHING AND LEARNING ACTIVITIES:

1. **Lectures:** The lecture provides a broad introduction to each topic and emphasis key concepts.
2. **Tutorials:** The lecturer will provide students set of tutorials materials to help students participate in solving some exercises inside and outside the class, individually and as a team work groups;
3. **Case Studies:** the numerous Case Studies are an important learning tool, integrated closely with the theoretical materials presented in each chapter.
4. **Questions Bank:** The lecturer will provide students a questions bank that will help them to work as accounting groups on base of team work to develop their problem solving skills, and preparing themselves for all types of exams and quizzes.
5. **Topics Refreshment & Summaries:** At the beginning of each class the lecturer will provide students a quick refreshment and summary of previous lectures to give students a chance to develop their participation activity. Students can use the summaries to place the material in perspective and to review for exams.
6. **Quick Quizzes:** There are some announced quizzes (almost four).
7. **Feedback:** Feedback on student progress will be given throughout the course.
8. **Class participation:** Class participation is encouraged and will enhance your knowledge and influence positively on your grade, board demonstrations and inquiry oriented discussions and in-class calculations;
9. **Examinations:** Exams are all comprehensive in nature, (there are two exams, which are Mid-Term & Final Exam).
10. **Site visit for one manufacturing company on the end of April 2016**

COURSE ASSESSMENT TOOLS:

<u>Assessment Tool</u>	<u>Description</u>	<u>Weight</u>
<u>Participation Activities</u>	This includes class participation, email interaction with the lecturer, discussion forum and problems solving on the white board by students, and visiting the lecturer during the office hour for discussing some issues.	<u>10%</u>
<u>Homework & Assignments</u>	Homework and Assignments must be submitted in at the specified due date prior to the beginning of class. No late homework & assignments will be accepted.	15%
<u>Company Visit</u>	Will conduct at least one field trip to local manufacturing company, and the students should submitted a report about different aspects of cost accounting system is using by the concern company.	10%
Quizzes	There are four quizzes, (one after completing each two chapters). The lecturer will select the best three quizzes, (The weight is 5 marks for each selected quiz).	<u>15%</u>
<u>Mid-Term</u>	One mid-term exam will be conducted (Problems solving).	<u>20%.</u>
<u>Final Exam</u>	The final examination will be comprehensive of all the course materials.	<u>30%.</u>



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ESSENTIAL READINGS: (Journals, textbooks, website addresses etc.)

Textbook:

COLIN DRURY, Management and Cost Accounting, CENGAGE Learning, 8th edition, 2012, **ISBN: 978-1-4080-4180-2**, www.cengage.co.uk.

Additional Resource:

- 1). Horngren C.T., Datar S.M., Rajan M., V., "**Cost Accounting A Managerial Emphasis**", Pearson Education Limited, Global Edition, (14th) Ed. 2012, **ISBN: 13-978-0-273-75387-2**.
- 2). Ray H. Garrison, Eric W. Noreen "**Managerial Accounting**", McGraw-Hill, Irwin. 14th Edition, 2011, **ISBN: -13: 978-0078111006 ISBN-10: 0078111005**.
- 3). **Vanderbeck**, Edward J. (2013). Principles of Cost Accounting, 16th Ed.
 - Earlier or latest editions of Vanderbeck are acceptable.
- 4). M.C. **Shukla**, T.S. **Grewal** & M.P. **Gupta** (2014). Cost Accounting: Text and Problems.
- 5). Gauri Shankar, Practical Costing (Self-Tutor), Himalaya Publishing Hou, 2003
- 6). However it is your responsibility to follow the class material, because I will closely follow and assign problems from the text book and other books of Cost.

Handouts Materials:

Lecture notes & some tutorial materials and exercises are prepared by the lecturer and upload on Google Class to let students get it online from Google Class.

Questions Bank:

The lecturer will provide students online questions bank to use for their knowledge development and preparing for different tests and exams.

Internet / Websites:

1. Certified Management Accountants (CMA)
http://www.imanet.org/cma_certification.aspx
2. American Institute for Certified Management Accountants(AICMA)
http://www.imanet.org/ima_home.aspx
3. www.pearsoned.co.uk
4. www.cengage.co.uk
5. himpub@vsnl.com

Site Visit:

Need to visit any manufacturing company in Sulaimanyia city, during the mid of the current semester.



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Attendance Policy

COURSE POLICY (including plagiarism, academic honesty, attendance etc)

KUST Academic Policy

<http://sar.komar.edu.iq/files/Student%20hand%20Book%202013.pdf>

Attendance:

- ❖ Students are expected to **attend all lectures** and must **attend all examinations, quizzes, and practical exercises.**
- ❖ Faculty **need not** give substitute assignments or examination to students who miss classes **without official permission.**
- ❖ Student must arrange with the faculty to **make-up** the missed class.
- ❖ Students are subject to the regulation and policies mentioned in the **KUST Student Handbook.**
- ❖ KUST guidelines for lateness are as follows: **Three occasions of lateness count as one absence.** (You can be considered in lateness from the 10th minute).

GUIDELINES FOR SUCCESS:

The following points may help the students to success and develop their accounting knowledge:

- i. Attend all lectures on time, pay attention, participate during the classes, and keep asking questions as well as answering the asked questions.
- ii. Be preparing for the classes, quizzes, and examinations ahead of time schedule.
- iii. Need not to memorize everything, instead of that try to understand and enhance your accounting knowledge.
- iv. Ask for help from your lecturer during the class and during the announced office hours and don't feel shy for acquire of knowledge and understanding of subject matter.
- v. Take note during the lecture, and especially anything is written by the lecturer on the white board.
- vi. Be ready for the refreshment of previous lecture during the first 10 minutes of next lecture.
- vii. Create accounting students groups (should be not more than 4 students to avoid any waste of time) to work together and exchange knowledge outside the class.
- viii. You have to submit your homework and assignments on the right time, any late will affect negatively on your marks.
- ix. Accounting consider such as mathematics and statistics a quantitative course, so you do not need to read the solutions but you have to solve different solved questions by yourself three times in different periods.
- x. And finally you have to develop critical thinking, analysis, team work, communications, and problems solving skills.

NOTE: students are required to bring their notebooks, pens and calculator but not to engage themselves with cell-phones.

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REVISION TO THE SYLLABUS:

This syllabus is subject to develop based on the development of accounting knowledge and moderate the practical aspects in different area of accounting fields. It is the responsibility of the lecturer to let the students be informed and aware of such developments and changes, if happened in a timely fashion after the approval by the acting chair of accounting department and confirm by the Quality Assurance & Accreditation Office (QAAO).



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Delivering Teaching Plan for Cost Accounting for Spring Semester AY 2015/2016

Week	Beginning/ End Dates	Topics (Chapters)	Course Assessment	CLO
1	Feb. 29 th -1 March 2 nd - 2	<ul style="list-style-type: none"> ➤ Introduction to Cost Accounting: ➤ Uses of cost accounting information for measuring, planning, controlling, and decision-making. ➤ Cost Terminology. ➤ Cost concepts, importance, & purposes. ➤ Comparison between cost accounting, managerial & financial accounting. 		1 & 2
2	March 7 th - 3 March 9 th - 4	<ul style="list-style-type: none"> ➤ The Types of Cost Elements: ➤ Classification bases of costs elements. ➤ Cost behavior 	Homework #1	2 & 3
3	March 14 th - 5 March 16 - 6	<ul style="list-style-type: none"> ➤ Accounting for Direct Raw-Materials Costs: ➤ Cost flow of Raw-Material by using FIFO, LIFO, & WA. ➤ Planning & control of purchasing Raw-Materials by determining the Purchase Order Economic Quantity (POEQ) 		5
20-24 March		Holiday for Eid- Nawroz		
4	March 28 th - 7 March 30 th - 8 April 4 th - 09	<ul style="list-style-type: none"> ➤ Accounting for Direct Raw-Materials Costs: ➤ Recording accounting entries for purchased & issued Raw-Materials based on: <ul style="list-style-type: none"> ➤ Periodic Accounting Recording System; ➤ Perpetual Accounting Recording System; ➤ Just-in-time Materials control. ➤ Practical (problems solution). 	Quiz # 01	3&4
5	April 6 th - 10 April 11 th - 11	<ul style="list-style-type: none"> ➤ Accounting for Direct Labor Costs: ➤ Employees' procedures and documents in order to determine labor cost. ➤ The elements of direct labor costs based on unified accounting information system in Iraq. ➤ Distinguish between direct and indirect labor costs in terms of accounting treatment. 	Homework #2	3&4
6	April 13 th - 12 April 18 th - 13	<ul style="list-style-type: none"> ➤ Accounting for Direct Labor Costs: ➤ Control Labour Costs. ➤ Accounting for Labour Costs and Employees' Payroll Taxes ➤ Payroll Accrual (Special Labour Costs Problems). ➤ Recording accounting entries for the direct labor costs. ➤ Practical (problems solution). 	Quiz # 02	2&4
7	April 20 th - 14 March 28 th - 7 March 30 th - 8	<ul style="list-style-type: none"> ➤ Accounting for Manufacturing Overhead (Indirect Costs): ➤ Identify cost behaviour patterns & analysing mixed costs. ➤ Determine the elements of manufacturing overhead. ➤ Identify MOH distribution bases on cost centres & cost units. 		3&4
April		Midterm Examinations		
8	May 2 nd - 15 May 4 th - 16	<ul style="list-style-type: none"> ➤ Accounting for Manufacturing Overhead (Indirect Costs): ➤ Allocation methods of indirect costs and absorption rates. ➤ Recording accounting entries for the direct labor costs. ➤ Practical (problems solution). 	Homework #3	4 & 5
9	May 9 th - 17	<ul style="list-style-type: none"> ➤ Accounting for Marketing & Administrative Overhead: ➤ Allocation methods of indirect costs and absorption rates. 		4 & 5



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	May 11 th - 18	<ul style="list-style-type: none"> ➤ Recording accounting entries for the direct labor costs. ➤ Practical (problems solution). 		
10	May 16 th - 19 May 18 th - 20	<ul style="list-style-type: none"> ➤ Accounting for Job-Order Costing System: ➤ Calculating the cost per job-order ➤ Recording the required accounting entries for job-order costs. ➤ Practical (problems solution). 	Homework #4	5&6
11	May 23 rd - 21 May 25 th - 22	<ul style="list-style-type: none"> ➤ Accounting for Process Costing System: ➤ Comparison & Product Cost in a Process Cost System. ➤ Work in Process Inventories. ➤ Calculating the cost per process and per unit. 	Quiz # 03	5&7
12	May 30 th - 23 June 1 st - 24	<ul style="list-style-type: none"> ➤ Accounting for Process Costing System: ➤ Recording the required accounting entries for process costing system. ➤ Practical (problems solution). 		5&7
13	June 6 th - 25 June 8 th - 26	<ul style="list-style-type: none"> ➤ Accounting for Standard Costing System: ➤ Setting the standards cost for three elements of costs (DRMC, DLC, & MOH). ➤ Computing and analysis the favorable and unfavorable variances of three elements of costs (DRMC, DLC, & MOH). ➤ Recording the accounting entries of favorable and unfavorable variances. ➤ Practical (problems solution). 	Quiz # 03	8
14	June 13 th - 27 June 15 th - 28	<ul style="list-style-type: none"> ➤ Joint Products & By-Products Costs ➤ Calculation the costs before and after separation points. ➤ Practical (problems solution). 	Mini-Project Presentation	9
15	June 20 th & 22 nd	Review		
16	June 2016	Final Examinations		

Data	Name	Designation	Signature	Date
Prepared by	Professor Dr. Kamal Al-Nakib	Lecturer,		06/03/2016
Approved by	Dr. Mustafa Hussan	Acting Chairman of Accounting Department		06/03/2016
Confirmed by	Dr. Alan Noori	QAAO Cordinator		06/03/2016