



QURTUBA UNIVERSITY

Of Science and Information Technology

D.I Khan, Peshawar Khyber Pakhtunkhwa, Pakistan.

Course Name	Cost Accounting
Course Code	ACC201
Semester	Third
Credit Hours	03
Total Weeks	16/18
Total Hours	48/54
Total Marks	100
Pre-requisite	None

Course Objectives

- What is to be done and how it is to be done can best describe the nature of Cost Accounting. The primary objective of the cost accounting is to ascertain cost of each product, process, job, operation or service rendered. It assists the management to the performance of its functions, such as framing policies, laying down plans, controlling operations, evaluating result and making decision. Cost accounting is generally thought of in connection with manufacturing operations. It also covers non manufacturing activities like selling and administration. In recent years cost accounting principles, methods and techniques are applied with ease to trading business, financial institutions, insurance companies, all services generating and distributing organizations, education and charitable institutions and even in profession offices such and doctors, lawyers accountants and teachers.

Grading Criteria

Distribution	Weight
Quizzes, Assignments, and class participation	10
Mid Term	20
Final Term	70
Total	100

Recommended Books

- COST ACCOUNTING PLANNING AND CONTROL BY MATZEUSERY SEVENTH EDITION PUBLISHED BY SOUTH WESTERN PUBLICATION
- COST ACCOUNTING BY CHARLESS. T. HARNGERN GEORGE FOSTER SRIKANT BY PRANTICE & HALL ENGLEWEED ELIFTS 07632 USA

WEEK WISE BREAKDOWN

Week	Description
1&2	INTRODUCTION <ul style="list-style-type: none"> • The nature of cost accounting • Cost accounting the accounting of planning and control • Scope of cost accounting • Relationship of the cost accounting to general accounting • Limitation of financial accounting
3&4	Financial Statements <ul style="list-style-type: none"> • The basic for planning & control • The reporting function • Financial statement in the annual report • Evaluation annual results : The outsider & insider • The flow of costs • Cost of goods sold statement
5&6	<ul style="list-style-type: none"> • Cost Concept & Definition • Classification of costs • Distinction between cost and expenses • Practical problems
6&7	JOB ORDER COSTING <ul style="list-style-type: none"> • Cost system & their practical application to various industries • Job costing features advantages & limitation • Job cost sheet • Preceding for job cost accounting • Practical problems
8	PROCESS COSTING <ul style="list-style-type: none"> • Characteristics & procedures of process costing • Costing by department
Two Assignments + Two Test Mid Term Exam	
9	<ul style="list-style-type: none"> • Product flow • Procedures for materials labor & factory over head costs • The cost of production report • Practical problems
10&11	FACTORY OVERHEAD PLANNED APPLIED AND ACTUAL WITH VARIANCE ANALYSIS <ul style="list-style-type: none"> • Factory overhead predetermined • Factory overhead actual • Factory overhead applied • Over or under applied factory overhead • Variance analysis • Practical problems
12&13	FACTORY OVERHEAD DEPARTMENTALIZATION FOR PRODUCT AND COST CONTROL

	<ul style="list-style-type: none"> • The Concept of departmentalization • Producing and services department • Direct department expenses • Establishing departmental overheads rates • Use of departmental factory overhead rates • Practical problems
14	<p>PLANNING AND CONTROL OF MATERIAL COST</p> <p>Definition and types of materials</p> <ul style="list-style-type: none"> • Inventory controls • Inventory levels • Store keepers his functions and duties • Perpetual inventory system • Bin card and stores ledger • Practical problems
15&16	<p>PLANNING AND CONTROL OF LABOR COST</p> <ul style="list-style-type: none"> • Labor turnover, labor productivity • Time and motion study. Job evaluation and merit rating • Inceptive schemes • Control over labor costs • Practical problems
<p>Two Assignments + Two Test+ Presentation Final Term</p>	

Learning Outcomes:

Upon successful completion of the course, a student will be able to:

- Use job-order costing to cost one or a small number of jobs which require different types and amounts of direct materials, direct labor and indirect costs.
- Use the process costing system to prepare and analyze production reports where a large number of homogeneous products are manufactured.
- Estimate the cost of defective units in a process costing environment.
- Identify the cost savings resulting from controlling the cost of ordering and carrying inventory as well as the cost of stocking-out.