



QURTUBA UNIVERSITY

Of Science and Information Technology

D.I Khan, Peshawar Khyber Pakhtunkhwa, Pakistan.

Course Name	Cost and management Accounting
Course Code	ACC302
Semester	Second
Credit Hours	03
Total Weeks	16/18
Total Hours	48/54
Total Marks	100
Pre-requisite	None

Course Objectives

This course focuses on the prerequisite and use of management accounting information for planning, control and decision making. The course encourages an understanding of the management accounting function within an organization by taking a business value sequence perspective. The process of budgeting (operational and financial) and standards as an aid to management in planning and controlling business activities is explored. It will help in analyzing cost behavior, absorption and variable costing, a study of the principles of job and process costing systems, the application of activity based costing, as well as other facets of management accounting which support decision making.

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 Matz Usery Seventh edition Published by south western Publication.
- COST ACCOUNTING BY CHARLESS. T. HARGERN GEORGE FOSTER Srikanth by Prentice & hall
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WEEK WISE BREAKDOWN

Week	Description
1	INTRODUCTION <ul style="list-style-type: none"> ◇ The nature of cost accounting ◇ Scope of cost accounting ◇ Relationship of the cost accounting to general accounting ◇ Limitation of financial accounting
2	Cost accounting the accounting of planning and control <ul style="list-style-type: none"> ◇ Cost, classification of costs ◇ Distinction between cost and expenses
3	Financial Statement <ul style="list-style-type: none"> ◇ The basic for planning & control ◇ The reporting function ◇ Financial statement in the annual report
4	<ul style="list-style-type: none"> ◇ Evaluation annual results : The outsider & insider ◇ The flow of costs ◇ Cost & profit analysis
5 & 6	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
7 & 8	PROCESS COSTING <ul style="list-style-type: none"> ◇ Characteristics & procedures of process costing ◇ Costing by department ◇ Product flow ◇ Procedures for materials labor & factory overhead costs ◇ The cost of production report ◇ Practical problems
	<p style="text-align: center;">Two Assignments + Two Test Mid Term Exam</p>
9 & 10	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
11 & 12	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

	<ul style="list-style-type: none"> ◇ Establishing departmental overheads rates ◇ Use of departmental factory overhead rates
13	PLANNING AND CONTROL OF MATERIAL COST <ul style="list-style-type: none"> ◇ Definition and types of materials ◇ Inventory controls ◇ Inventory levels ◇ Store keepers his functions and duties ◇ Perpetual inventory system ◇ Bin card and stores ledger
14	PLANNING AND CONTROL OF LABOR COST <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
15	BUDGETING AND FLEXIBLE BUDGET <ul style="list-style-type: none"> ◇ Capital and volume ◇ Analysis of cost behavior ◇ Determining the fixed variable ◇ Elements of a semi variable expense ◇ Preparing a flexible budget
16	STANDARD COSTING <ul style="list-style-type: none"> ◇ Limitations of historical costing ◇ Standard cost and estimated costs ◇ Types of standards ◇ Standard cost for material labor and F. O. H ◇ Computation and analysis of variances
	Two Assignments + Two Test+ Presentation
	Final Term

Learning Outcomes:

- 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.