



Department of Accounting
College of Administrative & finance sciences
University of Cihan/Sulaimaniya

Subject: Advance Cost Accounting (I)

Course Book – Year 4

Lecturer name: Mr. Karwan Hussein Mustafa

Academic Year: 2023-2024

Course Book

1. Course name	Advance Cost Accounting (I)
2. Lecturer in charge	Mr. Karwan Hussein Mustafa
3. Department/ College	Accounting
4. Contact	e-mail: karwan.mustafa@sulicihan.edu.krd Tel: 07719912986
5. Time (in hours) per week	3 Hours per week
6. Office hours	Availability of the lecturer during the week
7. Course code	ACC34101
8. Teacher's academic profile	<u>Qualifications:</u> (Msc Accounting and Finance , University of Leicester, The United Kingdom).
9. Keywords	Cost Accounting, Manufacturing Co., Cost System Design, standard costing and ABC....
10. Course overview: This module will help student to understand costs and various methods of calculating total costs and cost per unit of production in manufacturing companies. Cost system designs (Job-Order Costing and Process Costing) are the major subjects that this module covers. Additionally, standard cost, activity-based costing is also subject of concern. It is prepared for students in accounting department based on a full year course, 28-week of lectures. Therefore, it is supposed to help them to define all classes of costs and the way they could be recorded in business. It is also expected to help student to decide on the appropriate method of calculating and recording costs for different business especially regarding manufacturing sectors. Consequently, it will provide information related to competition and make rational decision in business.	
11. Course objective: The aim of this course is to enable student to define cost, recognize the different types of costs, calculating and preparing schedule of cost. It covers the subject of cost system design in manufacturing companies. Via theoretical and practical methods in class, the module aims to provide a wide range of information concerning cost accounting for manufacturing companies. It is aimed to provide student with information about allocating indirect costs according to traditional costing system and Activity-Based Costing method. Students will be taught how to prepare income statement and schedule of	

cost of goods manufactured.

12. Student's obligation

- Please make every effort to attend the class regularly.
- The course includes a midterm exam, class activities, quiz, practical exam and final exam. Therefore, students have responsibility to follow lecturer guidelines.
- Students are prohibited from using phones and laptops in the lecture.

13. Forms of teaching

Different teaching techniques will be used to reach the objectives of the First semester of this year. There will be classroom discussions and the lecturer will give enough time to solve, analyse and evaluate problems.

14. Assessment scheme

Mid-Semester Exam 30%

Class Activities 10%

Final Exam 60 %

15. Student learning outcome:

By the end of the course, student should be able to:

1. Distinguish between job-order costing and process costing and identify the companies, they can be appropriate to be applied.
2. Understand and record cost flow in accordance to process costing.
3. Prepare a quantity schedule using the weighted-average method.
4. Prepare a quantity schedule using the FIFO method.
5. Understand and apply standard costing.
6. Understand and allocate cost in accordance to activity-based costing.

16. Course Reading List and References:

•Key references:

- Garrison et al., 2010, "Managerial Accounting", 13th edition, McGraw Hill, Irwin, United States.
- Horngren, Charles T. et al (2009), Cost Accounting, A managerial Emphasis, Thirteenth edition, Parson international edition.
- Cost Accounting, Dr. Mohammad Abo Nessar- Wael 2008.
- Principles of accounting, Jerry J and Donald E. Kieso and Paul D. Kimmel, 8th edition, Wiley 2008.

17. Topics:

Cost accounting systems:

Job order costing system: completed in semester (I).

Process cost accounting:

The nature of process cost system

Uses of process cost system

Similarities and differences between job order cost process cost system

Assigning manufacturing cost-journal entries

Equivalent cost

Weighted average method

Refinement on the weight- Average method

Production cost report

Steps of compute process cost

Compute the physical unit flow

Compute equivalent units of production

Compute unit production cost

Prepare a cost reconciliation schedule

Reporting the production cost report

Costing system final comments

Activity-Based Costing

How Costs Are Treated under Activity-Based Costing

Assign costs to cost pools using a first-stage allocation.

Compute activity rates for cost pools.

Assign costs to a cost object using a second-stage allocation.

Use activity-based costing to compute product and customer margins

Spoilage and Rework:

Different Types of Spoilage

Normal spoilage

Abnormal spoilage

Process Costing and spoilage

Count All Spoilage

Journal Entries

Cost allocation: Joint Products and by-products Joint-Cost Basics:

Main Products, Joint Products, and by-products

Why Allocate Joint Costs

Approaches to Allocating Joint Costs

Sales Value at Split-off Method

Physical-Measure Method
Net Realizable Value (NRV) Method

18. Examinations:

1. Calculations: solve cost accounting problems in various situations.

2. Compositional: In this type of exam the questions usually starts with Explain how, What, Why are the reasons for...?, Why...?, How....?

With their typical answers

Examples should be provided

3. True or false type of exams:

In this type of exam a short sentence about a specific subject will be provided, and then students will comment on the trueness or falseness of this particular sentence. Examples should be provided.

4. Multiple choices:

In this type of exam there will be a number of phrases next or below a statement, students will match the correct phrase.

Examples should be provided.

19. Extra notes:

None

20. Peer review

reviewed and signed by

Karwan Hussein Mustafa