



University of Management and Technology

AC 300- Cost Accounting

Resource Person:	
Email:	
Contact Hours:	
Office Address:	Department of Banking and Finance
Programme:	BBA
Section:	C
Semester:	Fall 2022
Course Pre-requisites:	Fundamentals of Accounting
Credit Hours:	3
Course Type:	Core
Venue/Day/Time:	
Course URL (if any):	

Course Description:

Cost Accounting is the “Process of identifying, measuring, accumulating, analyzing, preparing, interpreting and communicating information to help the managers to fulfil organizational objectives”. This course is designed to enable students to learn the management accounting techniques to achieve a level of proficiency sufficient to guide management for effective utilization of economic resources. This course capitalizes the accounting techniques and a method covered in the previous courses and develops a conceptual foundation for establishing a result – oriented mechanism of administrative controls. It also discusses the role of management in the financial reporting process, the impact of the accounting information system on management’s strategic decisions and explores the tools and concepts of cost management systems. The practices of accounting information systems are analyzed to determine their management implications.

Course Teaching Methodology:

The resource person shall explain and discuss a topic in accordance with course outline & students shall be asked to solve various exercises, problems & cases based on those



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discussions. Guidance in this respect will be provided by the instructor in and outside the class during counseling hours.

Program Objectives/Goals (POs)
1. To develop effective Teamwork and Leadership Skills
2. To inculcate Critical Thinking and effective Decision-Making skills
3. To develop Effective Communication Skills
4. To polish Core Business Knowledge and Competence
5. To expose and inculcate Ethical Behavior and Social Responsibility
6. To provide real-life work experiences.
7. To provide global perspectives.

Program Learning Outcomes (PLOs): After completing this degree program, students shall be able to:	Mapping the PLOs with POs
1 Work effectively in teams and understand group processes, leadership, conflict, power and culture in organization.	PO1, PO5, PO6
2 Use analytical and reflective thinking techniques.	PO2, PO4, PO6
3 Apply appropriate quantitative and qualitative techniques in solving business problems.	PO2, PO3, PO4, PO5, PO6
4 Draft effective business documents and prepare and deliver effective oral business presentations using the variety of appropriate technologies.	PO1, PO3, PO6
5 Demonstrate competency in the underlying concepts, theory and tools taught in the core undergraduate curriculum.	PO4, PO5, PO6, PO7
6 Identify and analyze ethical conflicts and social responsibility issues involving different stakeholders.	PO5, PO6
7 Understand the dynamics of industry and understand business as an integrated system and apply strategic planning tools.	PO2, PO3, PO6
8 Identify and analyze relevant global factors that influence decision making in an international business setting.	PO6, PO7

Course Learning Outcomes (CLOs): After completing this course, students shall be able to:	
CLO-1	Understand the need and scope of cost accounting within an organization.
CLO-2	Calculate production costs and interpret them for decision-making purpose.
CLO-3	Recognize the basics of attaching products to services, activity-based costing and process costing.
CLO-4	Define cost concepts, managerial accounting and the basics of cost volume profit analysis.

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CLO-5	Understand joint allocation principles and develop decision making skills needed by managerial accountants.
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Program Learning Outcomes	Course Learning Outcomes
1. Work effectively in teams and understand group processes, leadership, conflict, power and culture in organization.	
2. Use analytical and reflective thinking techniques.	
3. Apply appropriate quantitative and qualitative techniques in solving business problems.	CLO2, CLO4, CLO5,
4. Draft effective business documents and prepare and deliver effective oral business presentations using the variety of appropriate technologies.	CLO3
5. Demonstrate competency in the underlying concepts, theory and tools taught in the core undergraduate curriculum.	CLO1, CLO2,
6. Identify and analyze ethical conflicts and social responsibility issues involving different stakeholders.	CLO3,
7. Understand the dynamics of industry and understand business as an integrated system and apply strategic planning tools.	CLO1, CLO4, CLO5,
8. Identify and analyze relevant global factors that influence decision making in an international business setting.	CLO4, CLO5

Assurance of Learning and Assessment Items:

Specify Assessment Items that will assure student learning through application and achieve objectives of specific PLOs / COs / CLOs

Assessment Item	Application/ Objectives PLO / CO / CLO
Presentation	CO1, CLO-1,
Assignments	CO2, CO3, CLO2, CLO 3,
Class Activities	CO2, CO3, CLO2, CLO 3,
Quizzes	CO2, CO3, CLO2, CLO 3,
Mid Term Exam	CO2, CO3, CLO2, CLO 3,
Final Term Exam	CO2, CO3, CLO2, CLO 3,

Assessment Structure and Grading Policy*:

Assessment Item	Weight (%)	Execution Plan
Class Activities	10%	
Assignments	10%	
Quizzes	20%	



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Mid-term exam	25%	One-time assessment
Final exam	35%	One-time assessment
Total	100	

Notes – Norms and Important Class Policies:

(such as submission guidelines, academic honesty, make-up policy, code of conduct)

- **Be On Time**
You need to be at class at the assigned time. After 10 minutes past the assigned time, you will be marked absent.
- **Mobile Policy**
TURN OFF YOUR MOBILE PHONE! It is unprofessional to be texting or otherwise.
- **Email Policy**
READ YOUR EMAILS! You are responsible if you miss a deadline because you did not read your email.
Participants should regularly check their university emails accounts regularly and respond accordingly.
- **Class Attendance Policy**
A minimum of 80% attendance is required for a participant to be eligible to sit in the final examination. Being sick and going to weddings are absences and will not be counted as present. You have the opportunity to use 6 absences out of 30 classes. Participants with less than 80% of attendance in a course will be given grade 'F' (Fail) and will not be allowed to take end term exams. International students who will be leaving for visa during semester should not use any days off except for visa trip. Otherwise, they could reach short attendance.
- **Withdraw Policy**

Students may withdraw from a course till the end of the 12th week of the semester. Consequently, grade W will be awarded to the student which shall have no impact on the calculation of the GPA of the student. A Student withdrawing after the 12th week shall be automatically awarded "F" grade which shall count in the GPA.
- **Moodle**
UMT –LMS (Moodle) is an Open-Source Course Management System (CMS), also known as a learning Management System (LMS). Participants should regularly visit the course website on MOODLE Course Management system, and fully benefit from its capabilities. If you are facing any problem using LMS, visit <http://umt.edu.pk/LMS>.
- **Harassment Policy**

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Sexual or any other harassment is prohibited and is constituted as punishable offence. Sexual or any other harassment of any participant will not be tolerated. All actions categorized as sexual or any other harassment when done physically or verbally would also be considered as sexual harassment when done using electronic media such as computers, mobiles, internet, emails etc.

- Use of Unfair Means/Honesty Policy

Any participant found using unfair means or assisting another participant during a class test/quiz, assignments or examination would be liable to disciplinary action.

- Plagiarism Policy

All students are required to attach a “Turnitin” report on every assignment, big or small. Any student who attempts to bypass “Turnitin” will receive “F” grade which will count towards the CGPA. The participants submit the plagiarism report to the resource person with every assignment, report, project, thesis etc. If student attempts to cheat “Turnitin”, he/she will receive a second “F” that will count towards the CGPA. There are special rules on plagiarism for final reports etc. all outlined in your handbook.

- Communication of Results

The results of quizzes, midterms and assignments are communicated to the participants during the semester and answer books are returned to them. It is the responsibility of the course instructor to keep the participants informed about his/her progress during the semester. The course instructor will inform a participant at least one week before the final examination related to his or her performance in the course.

**Rubrics for all assessments (including mid and final exams) will be provided separately to the students.*

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Week	Weekly Sessions Plan	Application/Objectives CLO
1	<ul style="list-style-type: none"> ○ Differentiating Cost, Expense and Loss ○ Manufacturing costs, Direct and Indirect costs. ○ Fixed and Variable costs. ○ Product and period costs. ○ Flow of Manufacturing Cost ○ Cost of goods manufactured statement ○ Cost of goods sold statement ○ Income statement. 	CLO1 CLO2
2 3	<ul style="list-style-type: none"> ○ Job Order Costing System ○ Job Order Costing in Service Organizations ○ Job cost sheet ○ Batch Costing 	CLO3
4	<ul style="list-style-type: none"> ○ Cost accounting cycle ○ Journal entries and ledger accounts. 	CLO3
5	<ul style="list-style-type: none"> ○ Characteristics and Procedures of Process Costing ○ Product Flow ○ Procedures for Material, Labor and Overheads ○ Cost of production Report 	CLO2
6	<ul style="list-style-type: none"> ○ Normal and Abnormal losses ○ Normal and Abnormal Gain ○ Beginning WIP (Weighted Average Method) 	CLO3
7	<ul style="list-style-type: none"> ○ Planned, Applied and Actual ○ Calculation of Applied Rates ○ Analysis of variance ○ Reasons of Variance ○ Controlling the Variance ○ Departmentalization and Responsibility Accounting ○ Producing and Service Departments ○ Direct and Indirect Departmental Expenses ○ Overhead Departmentalization for non-profit and non-manufacturing organizations 	CLO3, CLO4
8	MIDTERM	
9	<ul style="list-style-type: none"> ○ Activity Based Costing ○ Overhead Activities 	CLO3

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	<ul style="list-style-type: none"> ○ Cost Driver ○ Cost Pool ○ Comparing ABC with Conventional Methods 	
10	<ul style="list-style-type: none"> ○ Procedures for Material Procurement and Use ○ Materials Costing Methods ○ Costing Procedures for Scrap, Spoiled Goods and defective work ○ Managing inventory levels 	CLO3, CLO4
11 12	<ul style="list-style-type: none"> ○ Human resource Accounting ○ Labour cost control ○ Procedure for labour costing, Overtime and Bonuses ○ Incentive wage plan ○ Labour related deduction ○ Recording labor cost ○ Direct costing and Contribution margin ○ Impact on Stock valuation under absorption and marginal costing 	CLO4, CLO5
13	<ul style="list-style-type: none"> ○ Nature of Break-Even Analysis ○ Pricing and Profitability Decisions 	CLO2
14	<ul style="list-style-type: none"> ○ Nature of By-products ○ Methods of costing By-products ○ Methods of allocating the Joint Product Costs 	CLO4
15	Revision of the course	

Primary Text Book (s):

- Financial & Managerial Accounting by Jerry J. Weygandt PhD, CPA

Reference / Supplementary Reading (s):

- Fundamentals of Accounting by Paul D. Kimmel PhD and Donald E. Kieso PhD, CPA
- Accounting by Warren, Reeve & Fees
- Business Accounting by Frank wood (Volume 1)
- Modern Accounting by Mukherjee (Volume 1)