



## Module (Course Syllabus) Catalogue 2023-2022

College/ Institute	Erbil polytechnic university/Erbil administrative college	
Department	Accounting Techniques	
Module Name	Cost Accounting	
Module Code	COA601	
Degree	Technical Diploma <input type="checkbox"/>	Bachelor <input type="checkbox"/> High Diploma *ster <input type="checkbox"/> PhD <input type="checkbox"/>
Semester	First semester	
Qualification	MSc in Accounting and Finance	
Scientific Title	Assistant Lecturer	
ECTS (Credits)	6	
Module type	Prerequisite <input type="checkbox"/>	Core * <input type="checkbox"/> Assist. <input type="checkbox"/>
Weekly hours	4 hours	
Weekly hours (Theory)	(2) hr Class	(150) Total hrs Workload
Weekly hours (Practical)	(2) hr Class	(150) Total hrs Workload
Number of Weeks	12 weeks	
Lecturer (Theory)	Susan Omer Othman	
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Lecturer	Susan Omer Othman	

<b>(Practical)</b>	
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<b>Course Description</b>	This course consists of a discussion of cost accounting concepts and objectives, an in-depth study of cost accounting systems and accumulation procedures and a search into the elements of material, labor and factory overhead costs.			
<b>Course objectives</b>	<p>Studying cost accounting is one of the best investment students can make. Why? Because success in any organization- from the smallest corner to the largest multinational corporation – requires the use of cost accounting concepts and practices. Cost accounting provides key data to managers for planning and controlling, as well as costing products, services and customers and how cost accounting help managers make better decision, making teams instead just data providers. By focusing on the basic and advance concepts, analyses, uses and procedures, we recognize cost accounting as managerial tool for business strategies and implementation.</p> <p>We also prepare students for the rewards and challenges facing them in the professional cost accounting word both today and tomorrow.</p>			
<b>Student's obligation</b>	<p>. There are some responsibilities for students that have to do:</p> <ul style="list-style-type: none"> <li>-Students must attend at all lectures.</li> <li>-Students must attend in semesters and final exams.</li> <li>-Students have to participate in practice lectures.</li> </ul>			
<b>Required Learning Materials</b>	<p>Students at the end of the semester should know the following subjects:</p> <p>What is: Direct materials, direct labor, and manufacturing factory overhead, product costs, cost of goods manufactured statement accounting entries regarding manufacturing companies etc.....</p>			
<b>Evaluation</b>	<b>Task</b>	<b>Weight (Marks)</b>	<b>Due Week</b>	<b>Relevant Learning Outcome</b>
	Paper Review			
	Ass ign me Homework	%10	2 <sup>nd</sup> week, 6 <sup>th</sup> week	The ability of solving exercises

				and 8 <sup>th</sup> week	and examples and discussing.
		Class Activity	%2	During weeks	Participating and giving opinion.
		Report	%8	5 <sup>th</sup> week	Explanations and clarifying about a specific topic in detail.
		Seminar	%8	10 <sup>th</sup> week	The ability of presenting a topic which related to the module.
		Paper	%8	9 <sup>th</sup> week	
		Project			
		Quiz	%8	6 <sup>th</sup> week ,8 <sup>th</sup> week	The ability of answering questions.
		Lab.			
		Midterm Exam	%24		The ability of answering questions.
		Final Exam	%40		The ability of answering questions.
	Total	%100			
<b>Specific learning outcome:</b>	<p>During the studding of: cost concepts, cost behavior, and cost accounting techniques to manufacturing, merchandising, and service businesses, student will learn:</p> <ol style="list-style-type: none"> <li>1- How to determine costs of products and services more accurately.</li> <li>2- Use the knowledge of product and service costs to set selling prices, to bid on contracts.</li> <li>3- Analyze the relative profitability of various products and services.</li> <li>4- Use techniques to measure the performance of managers and subunits within an organization.</li> <li>5- Design an accounting system to fit the production and distribution system of an organization.</li> <li>6- Use the accounting system as a tool to motivate managers towards the organization's goals.</li> </ol>				

<b>Course References:</b>	<p>Cost Accounting a Managerial Emphasis , Charles T. Horngren , Srikant M. Datar &amp; Madhav V.Rajan , ,Fifteenth Edition .2015.</p> <p>- Cost Accounting , Traditions and innovations , Barfield, Raiborn &amp; Kinney .</p> <p>- Principles of Cost Accounting , Edward J . VanDerbeck , Fifteenth Edition .2010 .</p> <p>- Fundamentals of Cost Accounting , Wiliam N. Lanen , Shannon W.Anderson &amp; Michael W.Maher ,Third Edition 2011 .</p>	
<b>Course topics (Theory)</b>	<b>Week</b>	<b>Learning Outcome</b>
<p><b><u>An introduction to cost terms and purpose:</u></b></p> <ul style="list-style-type: none"> <li>• Define and illustrate a cost object</li> <li>• Distinguish between direct costs and indirect costs.</li> <li>• Interpret total costs and unit costs.</li> </ul> <p>Business sectors, types of inventories, inventoriable costs, and period costs.</p>	1 <sup>st</sup> week	Explanations and clarifying all topics in detail.
<p><b>Accounting for factory overhead:</b></p> <p><b><u>Allocation of service department costs:</u></b></p> <p><b>1- <u>Direct Method:</u></b></p> <ul style="list-style-type: none"> <li>• Examples, exercises and problems about direct method.</li> </ul> <p>Limitation of the direct method.</p> <p><b>2- <u>Step Method:</u></b></p> <ul style="list-style-type: none"> <li>• Examples, exercises and problems about step method.</li> <li>• Limitation of the direct method.</li> </ul> <p><b>3- <u>Reciprocal Method:</u></b></p> <ul style="list-style-type: none"> <li>• Examples, exercises and problems about reciprocal method.</li> </ul> <p>Limitation of the reciprocal method.</p>	2 <sup>nd</sup> and 3 <sup>rd</sup> week	Explanations and clarifying all topics in detail with solving exercises and examples.

<p><b><u>Introduction to inventory costing:</u></b></p> <p><b>1- Absorption costing:</b> Examples, exercises and problems about absorption costing.</p> <p><b>2- Variable costing:</b> Examples, exercises, and problems about variable costing.</p> <p><b>3- Throughput costing:</b> Examples, exercises, and problems about throughput costing.</p>	4 <sup>th</sup> week	Explanations and clarifying all topics in detail with solving exercises and examples.
<p><b><u>Product costing system:</u></b> Describe the approaches to evaluating and implementing</p> <p>1- <b><u>job costing systems:</u></b> Outline the seven-step approach to normal costing</p> <ul style="list-style-type: none"> <li>• Distinguish actual costing from normal costing</li> <li>• Examples, exercises, and problem solving.</li> </ul>	5 <sup>th</sup> week	Explanations and clarifying all topics in detail with solving exercises and examples.
<p>Budgeted indirect cost and end-of-accounting-year adjustment. <b>Examples, exercises, and problem solving.</b></p>	6 <sup>th</sup> week	Explanations and clarifying all topics in detail.
<p><b>Examples, exercises, and problem solving.</b></p>	7 <sup>th</sup> week	Explanations and clarifying all topics in detail with solving exercises and examples.
<p><b>2- <u>Process costing system</u></b></p> <ul style="list-style-type: none"> <li>• Describe the five steps in process costing and calculate equivalent units</li> <li>• Use the weighted-average method and first-in, first-out (FIFO) method of process costing, Examples, exercises, and problem solving.</li> </ul>	8 <sup>th</sup> week	Explanations and clarifying all topics in detail.
<ul style="list-style-type: none"> <li>• Apply process-costing methods to situations with transferred-in costs</li> </ul>	9 <sup>th</sup> week	Explanations and clarifying all topics in detail with solving exercises and examples.
<p><b>Examples, exercises, and problem solving.</b></p>	10 <sup>th</sup> week	Explanations and clarifying all topics in detail with solving exercises and examples.

<p><b>Activity-Based Costing</b></p> <ul style="list-style-type: none"> <li>• Explain how broad averaging undercosts and overcosts products or services</li> <li>• Present three guidelines for refining a costing system</li> </ul> <p><b>Examples, exercises, and problem solving.</b></p>	11 <sup>th</sup> week	Explanations and clarifying all topics in detail with solving exercises and examples.
<p>Evaluate the costs and benefits of implementing activity-based costing systems.</p> <p><b>Examples, exercises, and problem solving.</b></p>	12 <sup>th</sup> week	Explanations and clarifying all topics in detail.
<b>Practical Topics</b>	<b>Week</b>	<b>Learning Outcome</b>
<p>Examples, exercises, and problems about:</p> <ul style="list-style-type: none"> <li>• Cost of goods manufactured statement, and</li> <li>• Cost of goods sold statement.</li> </ul>	1 <sup>st</sup> week	Explanations and clarifying all topics in detail with solving exercises and examples.
<ul style="list-style-type: none"> <li>• Examples, exercises and problems about direct method.</li> <li>• Examples, exercises and problems about step method.</li> <li>• Examples, exercises and problems about reciprocal method.</li> </ul>	2 <sup>nd</sup> and 3 <sup>rd</sup> week	Explanations and clarifying all topics in detail with solving exercises and examples.
<p>Examples, exercises and problems about absorption costing.</p> <p>Examples, exercises, and problems about variable costing.</p> <p>Examples, exercises, and problems about throughput costing.</p>	4 <sup>th</sup> week	Explanations and clarifying all topics in detail with solving exercises and examples.
<p>Examples, exercises, and problems about job costing.</p>	6 <sup>th</sup> ,5 <sup>th</sup> and 7 <sup>th</sup> week	Explanations and clarifying all topics in detail with solving exercises and examples.
<p>Examples, exercises, and problems about process costing.</p>	8 <sup>th</sup> ,9 <sup>th</sup> and 10 <sup>th</sup> week	Explanations and clarifying all topics in detail with solving exercises and examples.
<p>Examples, exercises, and problems about Activity Based costing(ABC).</p>	11 <sup>th</sup> and 12 <sup>th</sup> week	Explanations and clarifying all topics in detail with solving exercises and examples.

## Questions Example Design

### Example:

**Q#** Why might manufacturing company prefer normal costing over actual costing?

Because of The difficulty of calculating actual indirect-cost rates on a weekly or monthly basis means managers cannot calculate the actual costs of jobs as they are completed. However, managers want a close approximation of the manufacturing costs of various jobs regularly during the year, not just at the end of fiscal year.

Example: Following data relates to a manufacturing company:

#### Variable cost per unit:

Direct materials	\$2
Direct labor	\$4
Variable Manufacturing Overhead	\$1
Variable selling and Administrative expenses	\$3

#### Fixed costs per year:

Fixed manufacturing overhead	\$30,000
Fixed selling and administrative expenses	\$10,000
Units in beginning inventory	0
Units produced	6,000
Units Sold	5,000
Units in ending inventory	1,000
Selling price per unit	\$20

#### Required:

Prepare income statements using:

- Absorption costing system
- Variable costing system

### **Extra notes:**

Sometime, the number of the weeks which has been arranged, it can be affected by the holiday and events.

### **External Evaluator**

The course book reviewed by:

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