

## SYLLABUS

### FUNDAMENTALS OF COST ACCOUNTING (ACT 201) FALL 2019/2020

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#### COURSE OUTLINE

Target Students: 2<sup>nd</sup> Year

Instructor name: Prof. Tariq Hassaneen Ismail

E-mail address: [t.hassaneen@foc.cu.edu.eg](mailto:t.hassaneen@foc.cu.edu.eg)

#### *Ismail's URLs*

Cairo University Scholars: <https://scholar.cu.edu.eg/tismail>

Social Science Research Network: [www.ssrn.com/author=345211](http://www.ssrn.com/author=345211)

Google Scholar: <https://scholar.google.com/citations?user=cLwAgDsAAAAJ&hl=en>

Research Gate: [https://www.researchgate.net/profile/Tariq\\_Ismail](https://www.researchgate.net/profile/Tariq_Ismail)

Thomson Reuters: <http://www.researcherid.com/rid/G-5488-2014>

Springer Professional: <https://www.springerprofessional.de/tariq-h-ismail/2014930>

#### COURSE OBJECTIVE

The main objective of this course is to introduce the student to the basic costing concepts and principles of cost system. The course also describes a framework for the accounting and control of cost elements, income effects of alternative inventory costing methods, and covers the general aspects of cost allocation.

#### TEXT BOOK

Srinkat M Datar, and Madhav V. Rajan, Horngren's Cost Accounting: A Managerial  
Emphasis, 16th Edition, Pearson Publishing Co., NY.

#### METHOD OF INSTRUCTION

Formal Lecture on each topic followed by informal discussion and example problem solving.

#### METHODS OF GRADING

Participation	25%
Midterm Exam	25%
Final Exam	50%
Total	100%

Note: Participation mark is given on condition of satisfying attendance percentage and required assignments.

**OTHER POLICIES FOR THE COURSE**

- **Attendance:** Special attention is given for lecture attendance starting from the first lecture. Normal college procedures and regulations are applied. Students with 25% or more absence will be deprived from attending the exam.
- **Active Learning:** Students are expected to be well prepared before coming to each class. Each chapter material will be made available to students on the course site a week in advance.
- **Cheating:** Attempts for cheating using any kind of oral or written tools will be punished by following the official college procedures and regulations.

**COURSE CONTENTS**

Week	Chapter No.	Contents	Assign Exercises	
1	1	<b>The Manager and Management Accounting</b> <ul style="list-style-type: none"> <li>• Management Accounting, Financial Accounting and Cost Accounting</li> <li>• Value chain and Supply Chain and Key Success Factors</li> </ul>	E1-17 E1-19	<b>E1-18</b>
2	2	<b>An Introduction To Cost Terms And Purposes</b> <ul style="list-style-type: none"> <li>• Costs and Cost Terminology</li> <li>• Direct Costs and Indirect Costs</li> <li>• Cost Behavior Patterns: Variable Costs &amp; Fixed Costs.</li> </ul>	E2-34	<b>E2-33</b> <b>E2-38</b>
3, 4	2	<ul style="list-style-type: none"> <li>• Total Costs and Unit Costs</li> <li>• Manufacturing, Merchandising and Service Sector Companies.</li> <li>• Financial Statement, Invertoriable Costs and Period Costs.</li> <li>• Illustrating the Flow of Invertoriable Costs and Period Costs.</li> </ul>	E2-36 E2-37	<b>E2-44</b> <b>E2-45</b>
5,6	3	<b>Cost / Volume/Profit Analysis</b> <ul style="list-style-type: none"> <li>• Cost / Volume/Profit Assumption and Terminology</li> <li>• Essential of Cost - Volume - Profit Analysis</li> <li>• The Breakeven Point and Target Operating Income</li> <li>• Contribution Margin Versus Gross Margin</li> </ul>	E3-24 E3-25	<b>E3-42</b>
7		<b>M I D T E R M E X A M</b>		
8	10	<b>Determining How Costs Behave</b> <ul style="list-style-type: none"> <li>• General Issues in Estimating Cost Functions and Examples of cost Function</li> <li>• The Cause- and Effect Criteria I n Choosing Cost Drivers.</li> </ul>	E10-25 E10-26 E10-35	<b>E10-32</b> <b>E10-37</b>

		<ul style="list-style-type: none"> <li>• Cost Estimating Methods</li> <li>• Steps in Estimating a Cost Function Using Quantitative Analysis</li> </ul>		
9	9	<b>Inventory Costing and Capacity Analysis</b> <ul style="list-style-type: none"> <li>• Inventory Costing For Manufacturing Companies</li> <li>• Variable Costing and Absorption Costing</li> <li>• Explaining Differences In Operating Income</li> </ul>	E9-21 E-25 E9-27	<b>E9-23</b> <b>E9-27</b>
10	9	<ul style="list-style-type: none"> <li>• Performance Measures and Absorption Costing</li> <li>• Alternative Denominator-Level Concepts</li> </ul>	E9-32 E9-34	<b>E9-31</b> <b>E9-36</b>
11	15	<b>Allocation of Support Department Costs, Common Costs, and Revenues</b> <ul style="list-style-type: none"> <li>• Allocating Costs of a Support Department to Operating Divisions</li> <li>• Allocating Costs of Multiple Support Departments:               <ul style="list-style-type: none"> <li>- Direct Method</li> </ul> </li> </ul>	E15-17 E15-19 E15-20	<b>E15-16</b> <b>E15-21</b> <b>E15-22</b>
12		<ul style="list-style-type: none"> <li>- Step-Down Method</li> </ul>		
13		<ul style="list-style-type: none"> <li>- Reciprocal Method</li> </ul>		
14		<b>REVISION</b>		