

## COURSE CONTENTS

### **COURSE**

<b>Course Code:</b>	ACC 222
<b>Course Title:</b>	Cost Accounting (3 UNITS)
<b>Course Status:</b>	Compulsory
<b>Course Duration:</b>	Three hours per week for 15 weeks (45 hours)

### **Lecturer Data**

Name of the lecturer:	Mr. OLADIPO Olufemi Adebayo (ACA)
Qualifications obtained:	B.Sc (Accounting), M.Sc (Accountancy), ACA, ACFE.
Department:	Accounting & Finance
College:	Business and Social Sciences (CBS)
Programme:	B.Sc Accounting
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Office Location:	Room A113, New College Building, Intercom no- 4220.
Consultation Hours:	Wednesdays 8:00 to 10:00 am Fridays 10:00 am to 1:00 pm

**SEMESTER:** Omega

**LECTURE TIME:** Mondays, 12 - 2pm and Wednesdays, 12 – 1pm.

**VENUE:** Room A11.

### **(A) GENERAL OVERVIEW OF THE COURSE**

This course focuses on accounting techniques for the management functions of planning and control. It tends to expose the students to the area of management of organisations in various sectors and it provides a thorough foundation in the tools and techniques of cost analysis and reporting.

It will also assist the students on the development of competent and skills in using cost accounting data for internal management purposes in all industrial enterprises.

The objective of this course is to ensure that the students acquire knowledge of relevant management techniques in solving problems and preparation of reports.

### **(B) COURSE OBJECTIVES/GOALS**

At the end of this course, the students should be able to understand:

- Method of Costing: Job, Batch and Contract Costing.

- Process costing- including equivalent unit principles, treatment of normal and abnormal losses and gains.
- Joint products costing and By-products; Operating cost accounting.
- Cost measurement, methods of allocating and reporting.
- Cost Segregation Techniques: High and Low point method; Accounting analysis method and Regression analysis method.
- Costing Techniques: Standard costing; Marginal costing; Budgeting and Budgetary controls, budgetary techniques.
- Costing Bookkeeping: Interlocking and integrated cost accounting system.

**(C) METHOD OF LECTURE DELIVERING AND TEACHING AIDS**

1. Two hours of lecture and one hour of tutorial per week.
2. Lecturing will be complemented with both theory and practical aspect.
3. Lecturing to be aided by Audio Visual where and when necessary.

**(D) COURSE OUTLINES**

S/N	TOPICS
Week 1& 2	<p><b>The Definition of Costing Methods:</b></p> <ul style="list-style-type: none"> <li>• Introduction.</li> <li>• Specific Order Costing and Operation Costing.</li> <li>• Job Order Costing.</li> <li>• Batch Costing</li> <li>• Contract Costing</li> </ul>
Week 3 & 4	<p><b>Process Costing:</b></p> <ul style="list-style-type: none"> <li>• General principles of process costing</li> <li>• Equivalent unit's principle.</li> <li>• Preparation and presentation of process costing accounts.</li> <li>• Process gain/losses</li> <li>• Normal loss</li> <li>• Abnormal gain and losses.</li> </ul>
Week 5	<p><b>Joint Cost Apportionment/Accounting for By-products</b></p> <ul style="list-style-type: none"> <li>• Introduction.</li> <li>• By-product and Joint products</li> <li>• Methods of allocating joint cost.</li> <li>• Valuation of By-products.</li> <li>• Cost Methods.</li> </ul>

Week 6,7 & 8	<b>Marginal and Absorption Costing:</b> <ul style="list-style-type: none"> <li>• Introduction.</li> <li>• Characteristics and Technique of Marginal Costing.</li> <li>• Absorption Costing.</li> <li>• Advantages of Marginal Costing.</li> <li>• Limitation of Marginal and Absorption Costing.</li> <li>• A comparison and critique of the two methods.</li> <li>• Marginal Costing as an aid to Management problem.</li> <li>• Difference between Income statements prepared under Marginal and Absorption Costing.</li> </ul>
Week 9	<b>Revision and MID SEMESTER TEST</b>
Week 10 & 11	<b>Budgeting and Budgetary Control:</b> <ul style="list-style-type: none"> <li>• Definition of Budget.</li> <li>• Types of Budget: Production Budget, Sales Budget, Cash Budget, etc.</li> <li>• Budget Preparation and Approval Procedures.</li> <li>• Preparation of Cash Budget, Production Budget.</li> <li>• Techniques used in Budgeting: Flexible Budget, Zero-based budget, Activity based budgeting.</li> <li>• Solving behavioural problems in budgeting.</li> <li>• Budgetary Control.</li> <li>• Objectives of Budgetary Control</li> <li>• Organisation for Budgetary Control.</li> </ul>
Week 12 & 13	<b>Current Trend in Cost Accounting:</b> <ul style="list-style-type: none"> <li>• Just in Time (JIT)</li> <li>• Quality Control</li> <li>• Total Quality Management (TQM)</li> </ul>
Week 14 & 15	<b>Strategic Cost and Management Accounting:</b> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Definition of Terms</li> <li>• Strategic Positioning.</li> </ul>
Week 16	<b>General Revision and preparation for the Omega Semester Exam.</b>

### (E) TUTORIALS

Tutorial will be on a weekly basis. Students will be given practical questions to solve and solution to the questions would be review together with the lecturer.

### (F) METHOD OF GRADING:

Continuous Assessment (CA) ..... 30%

This would comprises of both Test and Assignment

Examination ..... 70%

**TOTAL**

**100%**

**(G) Ground Rules and Regulations:**

Organising the class before lecture, saying opening and closing prayer before and after the lecture period. Every class is expected to be an interactive one. Therefore, students are expected to be punctual and attend lectures, participate actively in class and Practical Session, read recommended texts and lecture materials, do all assignments and tests as given.

**(H) TOPICS FOR TERM PAPER/ASSIGNMENT**

Budgeting and Budgetary Control as an effective measure of performance in a developing economy, the structure of the term paper is as follows:

- i. Introduction
- ii. The Body
- iii. Conclusion and Recommendation
- iv. References

**(I) ALIGNMENT WITH GOALS AND VISION OF LANDMARK UNIVERSITY:**

To impact the knowledge of cost accounting practically into our students to break new grounds in the field of Accounting.

To also make them to be solution providers through qualitative and quantitative cost accounting system that focuses on accurate and timely reporting.

**(J) CONTEMPORARY ISSUES/INDUSTRY RELEVANCE**

This course will also introduce students to current topics like Just in Time (JIT) and Total Quality Management (TQM)

This course is relevant majorly in the manufacturing sector of the economy.

**(K) Recommended Texts:**

1. Costing by T. Lucey.
2. Fundamentals of Cost Accounting by Babatunde R. Yusuf
3. Coping with Cost Accounting by Eddie Omoleyinwa