



"الريادة والأبداع في الأعمال"
"Entrepreneurship and
Innovation in Business"

جامعة الزيتونة الأردنية
Al-Zaytoonah University of Jordan
كلية الأعمال
Faculty of Business



"عراقة وجودة"
Tradition and
"Quality"

Detailed Course Description - Course Plan Development and Updating Procedures/ Accounting Department QF05/0408-3.0E

Faculty	Business	Department	Accounting
Course number	0502331	Course title	Introduction to Cost Accounting
Number of credit hours	3	Pre-requisite/co-requisite	Principles of Accounting (2)

Brief course description

This course covers the basics principles and concepts of cost accounting according to cost-benefit assumption to run the business. It presents the objectives of cost accounting and all types of inventory accounts in manufacturing firms. Especially the steps used to calculate the cost of goods manufactured as a part of cost of goods sold in the a manufacturing income statement, CVP analysis (Cost, Volume and profit) and breakeven point at all specific points and assumptions, the job-order costing system, process costing system, and the activity based costing system. Service departments cost allocation.

Course goals and learning outcomes	
Goal 1	Identify the relationship between cost accounting and managerial accounting
Learning outcomes	1.1 Increase students' ability to demonstrate knowledge and understanding of both managerial and cost accounting areas 1.2 Increase students ability to effectively apply knowledge and skillful managerial and cost accounting areas of business 1.3 The student will be able to demonstrate knowledge and understanding ethical accounting issues in business
Goal 2	Differentiate between the different types of costs
Learning outcomes	2.1 Increase students ability to differentiate between cost terminologies 2.2 Increase students ability to apply and notice the practical cost terminologies 2.3 Increase students ability to criticize and imply each cost in different business sectors
Goal 3	How to use the cost-volume profit analysis, and its relationship with operating income.
Learning outcomes	3.1 Increase students' ability to apply critical thinking skills by solving problems requiring quantitative and/or qualitative analysis in relation to CVP. 3.2 Increase students' efficiency to apply knowledge on CVP analysis. 3.3 The student will apply critical thinking skills by solving problems requiring quantitative and/or qualitative analysis related to CVP analysis
Goal 4	How to deal with job costing and process costing.
Learning outcomes	4.1 The student will apply critical thinking skills by differentiating between job and process costing solving problems 4.2 The students will effectively apply knowledgeable and skillful costing systems
Goal 5	The difference between the different costing systems
Learning outcomes	5.1 The student will apply critical thinking skills by solving problems requiring quantitative and/or qualitative analysis in relation to different costing systems 5.2 The students will effectively apply knowledge and skills in the functional areas of business in relation to different costing systems
Goal 6	Evaluating the need to use activity-based-costing method.
Learning outcomes	6.1The student will apply critical thinking skills by solving problems requiring quantitative and/or qualitative analysis related to ABC system 6.2 The students will effectively apply knowledge and skills in the functional areas of



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	business in relation to ABC
Goal 7	When and why use the process costing system.
Learning outcomes	7.1 The student will apply critical thinking skills to when and why use process costing system. 7.2 The students will effectively apply knowledge and skills to when and why use process costing system
Goal 8	Methods used in the process costing system.
Learning outcomes	8.1 The student will apply critical thinking skills of methods used when applying the process costing system 8.2 The students will effectively apply knowledge and skills of methods used in the process costing system
Textbook	Horngren Charles T., Foster, Datar, Rajan, Ittner, Cost Accounting. A Managerial Emphasis, 16th Edition, 2014, Prentice Hall, USA.
Supplementary references	Harmmer, L. H, WK. Carter, and M. F. Usry, "Cost Accounting-Planning and Control", 11 th Edition; South-Western Publishing Co.; 1994.

Course timeline

Week	Number of hours	Course topics	Pages (textbook)	Notes
01	1	1. Describe how cost accounting supports management accounting and financial accounting.	29	1
	1	2. Understand how management accountants affect strategic decisions.	31	1
	1			
02	1	1. Describe the set of business functions in the value chain and identify the dimensions of performance that customers are expecting of companies.	32	1
	1	2. Explain the five-step decision making process and its role in management accounting.	35	1
	1			
03	1	1. Describe three guidelines management accountants follow in supporting managers.	38	1
	1	2. Understand how management accounting fits into an organization's structure.	39	1
	1	3. Understand what professional ethics mean to management accountants.	40	1
04	1	1. Define and illustrate a cost object.	53	2
	1	2. Distinguish between direct costs and indirect costs.	54	2
	1	3. Explain variable costs and fixed costs.	56	2
05	1	1. Interpret unit costs cautiously.	60	2
	1	2. Distinguish among manufacturing companies, merchandising companies, and service-sector companies.	62	2
	1	3. Describe the three categories of inventories commonly found in manufacturing companies.	62	2
06	1	1. Distinguish inventoriable costs from period costs.	63	2



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	1 1	2. Explain why product costs are computed in different ways for different purposes. 3. Describe a framework for cost accounting and cost management.	71 72	2 2
		First Exam		
07	1 1 1	1. Explain the features of cost-volume-profit (CVP) analysis. 2. Determine the breakeven point and output level needed to achieve a target operating income. 3. Understand how income taxes affect CVP analysis. 4. Explain CVP analysis in decision making and how sensitivity analysis helps managers cope with uncertainty.	87 92 94 95	3 3 3 3
08	1 1 1	1. Use CVP analysis to plan variable and fixed costs. 2. Apply CVP analysis to a company producing multiple products. 3. Adapt CVP analysis to situations in which a product has more than one cost driver.	98 101 102	3 3 3
09	1 1 1	1. Describe the building-block concepts of costing systems. 2. Distinguish job costing from process costing. 3. Outline the seven-step approach to job costing. 4. Distinguish actual costing from normal costing.	123 125 127 134	4 4 4 5
10	1 1 1	1. Track the flow of costs in a job-costing system. 2. Dispose of under or over-allocated manufacturing overhead costs at the end of the fiscal year using alternative methods. 3. Apply variations from normal costing.	135 142 146	4 5 5
11	1 1 1	1. Explain how broad averaging undercosts and overcosts products or services. 2. Present three guidelines for refining a costing system. 3. Distinguish between simple and activity-based costing systems. 4. Describe a four-part cost hierarchy.	163 169 170 173	6 6 6 6
12	1 1 1	1. Cost products or services using activity-based costing. 2. Explain how activity-based costing systems are used in activity-based management. 3. Compare activity-based costing systems and department costing systems. 4. Evaluate the costs and benefits of implementing activity-based costing systems.	174 178 181 182	6 6 6 6
13	1 1	Second Exam 1. Identify situations in which process-costing	627	7



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	1	systems are appropriate. 2. Describe the five steps in process costing.	630	7
14	1 1 1	1. Calculate equivalent units and understand how to use them. 2. Use the weighted-average method of process costing. 3. Use the first-in, first-out (FIFO) method of process costing.	630 634 636	7 8 8
15	1 1 1	1. Incorporate standard costs into process-costing systems. 2. Apply process-costing methods to situations with transferred-in costs.	641 645	8 8
16	3	Review + Final Exam		

Theoretical course evaluation methods and weight	Participation = 10% First exam 20% Second exam 20% Final exam 50%	Practical (clinical) course evaluation methods	Semester students' work = 50% (Reports, research, quizzes, etc.) Final exam = 50%
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Approved by head of department	Dr. Abdallah Atieh	Date of approval	30/8/2017
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Extra information (to be updated every semester by corresponding faculty member)

Name of teacher		Office Number	
Phone number (extension)		Email	_____@zuj.edu.jo
Office hours			

Mrs. Anan Srouji