



UNIVERSITI TEKNOLOGI MARA

ACC116: INTRODUCTION TO COST ACCOUNTING

<b>Course Name (English)</b>	INTRODUCTION TO COST ACCOUNTING <b>APPROVED</b>
<b>Course Code</b>	ACC116
<b>MQF Credit</b>	3
<b>Course Description</b>	This course introduces basic concepts of costing and explains the difference of cost accounting from financial accounting. Three main costing elements namely material, labour and overheads are discussed. At the end of this course, students will be introduced to job costing as an introduction to methods of costing for product.
<b>Transferable Skills</b>	Reflective learner Ethically and socially sensitive
<b>Teaching Methodologies</b>	Lectures, Tutorial
<b>CLO</b>	CLO1 Explain the differences of cost and financial accounting, costing terms and classification of costs. CLO2 Compute the stock valuation, stock control level, Economic Order Quantity (EOQ) and total remuneration earned for labours. CLO3 Calculate over and under absorption of overhead using overhead analysis sheet. CLO4 Compute selling price using job cost card
<b>Pre-Requisite Courses</b>	No course recommendations
<b>Topics</b>	
<b>1. INTRODUCTION TO COST</b> 1.1) Cost accounting and financial accounting 1.2) Cost, cost unit and cost centres 1.3) Classification and types of cost	
<b>2. MATERIALS</b> 2.1) Definition and classification of materials 2.2) Materials purchasing procedure 2.3) Material control system 2.4) Stock levels 2.5) Economic Order Quantity 2.6) Pricing the issues of materials (FIFO,LIFO and Weighted Average)	
<b>3. LABOUR</b> 3.1) Definition and classification of labour 3.2) Methods of remuneration - time based and output based 3.3) Time based (Straight Time Based and Overtime) 3.4) Output based (Straight Piecework, Piecework with Guaranteed Minimum and Differential Piecework) 3.5) Advantages and disadvantages of each method 3.6) Labour turnover	
<b>4. OVERHEAD</b> 4.1) Definition and classification of overhead 4.2) Allocation and apportionment 4.3) Reapportionment using repeated method 4.4) Absorption of overhead 4.5) Under or over absorption of overhead	
<b>5. JOB COSTING</b> 5.1) Definition and features of job costing 5.2) Job cost card 5.3) Selling price for job (mark up and margin)	



Assessment Breakdown	%
Continuous Assessment	50.00%
Final Assessment	50.00%

Details of Continuous Assessment	Assessment Type	Assessment Description	% of Total Mark	CLO
	Assignment	Assignment cover Chapter 4	20%	CLO3
	Online Quiz	Quiz 1 will cover Chapter 1	5%	CLO1
	Online Quiz	Quiz 2 will cover Chapter 5	5%	CLO4
	Test	Test will cover chapter 2 and chapter 3	20%	CLO2

Reading List	Recommended Text	• Terry Lucey 2008, <i>Costing</i> , 7 Ed., Gareth Stevens [ISBN: 9781844809431]
	Reference Book Resources	<ul style="list-style-type: none"> <li>• Prabir Das 2013, <i>Cost Accounting</i>, 5th Ed., Oxford University Press [ISBN: 9789834703585]</li> <li>• Philip Jagolinzer 2000, <i>Cost Accounting: An Introduction to Cost Management System</i>, 1 Ed., South-Western Pub [ISBN: 9780324015829]</li> </ul>
Article/Paper List	This Course does not have any article/paper resources	
Other References	This Course does not have any other resources	