

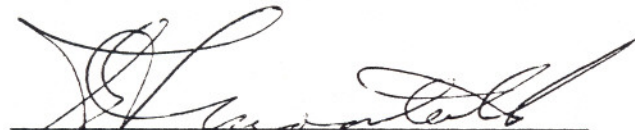
SAULT COLLEGE OF APPLIED ARTS & TECHNOLOGY
SAULT STE. MARIE, ONTARIO

COURSE OUTLINE

Course Outline: BUDGET AND COST ACCOUNTING I
Code No.: ACC 219
Program: ACCOUNTING
Semester: THREE
Date: JUNE, 1986
Author: B. CAMPBELL

New: _____ Revision: X

APPROVED:


Chairperson

86-06-20
Date

BUDGET & COST ACCOUNTING I

ACC 219

Course Name

Course Number

Prerequisite - ACC 102

Philosophy and Goals:

This course will introduce the students to manufacturing accounting. Procedures for cost accumulation, cost allocation, and cost flow will be studied. The students will become familiar with the source documents and reports of a manufacturing firm.

Textbook: "Cost Accounting", by Moriarity and Allen

Practice Set - "Job Order System and Cost Control"

Evaluation:

Evaluation for this course will be based on three tests, the practice set, and a final examination. The weighting assigned will be as follows:

Tests (3)	-	45%
Practice Set	-	10%
Final Exam	-	45%
		<hr/>
		100%

The final grade will be based on the following criteria:

A+	-	90% and over
A	-	80% to 89%
B	-	70% to 79%
C	-	55% to 69%
*I	-	40% to 54% (Incomplete)
R	-	below 40% (Repeat Course)

*A supplemental examination will be offered to students who receive an "I" grade. The privilege to sit for this supplementary examination will be dependent upon regular class attendance (75%) and completion of assigned work. A student failing to meet these conditions will be denied the right to write a supplementary examination.

BUDGET AND COST ACCOUNTING I (ACC 219)

UNIT	WEEKS	TOPICS AND DESCRIPTION
1	1-5 incl.	<u>Basic Cost Concepts</u> <ul style="list-style-type: none">- responsibility accounting- cost flows- types and behaviour of costs- direct costs and indirect costs- inventorial costs- costs associated with a manufacturing business- preparation of the statement of goods manufactured <u>Cost/Volume/Profit Analysis</u> <ul style="list-style-type: none">- cost relationships- high/low approach for separating mixed costs- profit planning using the cost/volume/profit equation- the effect of taxes on cost/volume/profit analysis- limitations of the CVP model- profit planning with bonus incentives TEST

UNIT	WEEKS	TOPICS AND DESCRIPTIONS
2	6-11 incl.	<p data-bbox="878 501 1159 528"><u>Cost Allocation</u></p> <ul data-bbox="878 564 1552 1061" style="list-style-type: none">- definition of cost centres and profit centres- determining the basis for cost allocation- procedures for allocating common costs on:<ul data-bbox="915 752 1344 842" style="list-style-type: none">a) physical basisb) relative sales valuec) incremental basis- allocating the service department costs to the producing departments- procedures for allocating inter-department costs by:<ul data-bbox="915 972 1360 1061" style="list-style-type: none">a) the direct methodb) the step methodc) the reciprocal method <p data-bbox="878 1093 1386 1155"><u>Joint Costs Associated with Production</u></p> <ul data-bbox="878 1191 1552 1648" style="list-style-type: none">- separating joint costs at split-off based on:<ul data-bbox="915 1249 1552 1339" style="list-style-type: none">a) physical unitsb) the relative sales value methodc) the net realizable value method- accounting for by-products:<ul data-bbox="915 1397 1516 1487" style="list-style-type: none">a) as other incomeb) as reduction of cost of goods manufactured- decisions based on allocation of joint costs- TEST

UNIT	WEEKS	TOPICS AND DESCRIPTIONS
3	12-14 incl.	<u>Job Costing</u> <ul style="list-style-type: none">- defining a job cost system and a process cost system- characteristics of a job cost system- source documents associated with a job cost system- cost flow in job costing- procedure of cost accumulation in a job cost system- assignment of fixed overhead to various jobs- the use of an applied rate for fixed overhead- the rationale of using an applied rate for fixed overhead- calculation of overhead variances- disposition of over or under-applied overhead
	15	Practice Set
	16	Review and Examination