

**DEPARTMENT OF ACCOUNTING
COLLEGE OF BUSINESS ADMINISTRATION- AL KHARJ,
KING SAUD UNIVERSITY**

Course Code & Title: Acct -406, Advanced Cost Accounting

Year : 4 Semester : VIII

Contact Hours : 3/0/1 L/ T/P

Credits : 3

Faculty Contact Details

DR. V. K. SHARMA

Associate Professor
Department of Accounting
College of Business Administration,
Al-Kharj- 11942
P.O.Box- 165
Al-kharj University,
Kingdom of Saudi Arabia.

Contact Numbers:

Office- 966 1 5455650
Cell - 966 0533218370
E-mail Id- vks123@gmail.com
Fax - 966 1 5451940
Contact Hours- 10 to 11 A.M.
Contact Day - Wednesday

Web link: <http://faculty.ksu.edu.sa/2277862336/default.aspx>

Pre-requisites for this course: Cost Accounting, ACCT-232

Rationale:

This course extends the discussion made in Cost Accounting. Specifically it covers Flexible Budgets Variances, Inventory Costing and Capacity Analysis, Inventory Management, Just in Time, Pricing Decisions and Cost Management and finally Strategic Profitability Analysis.

Learning Outcomes:

- 1. Acquiring the knowledge for developing flexible budgets variances**
- 2. Knowledge Inventory Costing and Capacity Analysis**
- 3. Knowledge about Inventory Management**
- 4. Awareness about the Pricing Decisions and Cost Management**
- 5. Application of Strategic Profitability Analysis**

Course Outline:

1. **Flexible Budgets:** Introduction, Flexible Budget Variance, Sales Volume Variance, Price Variance and efficiency variance for Direct Cost Inputs.
2. **Inventory Costing and Capacity Analysis:** Inventory Costing for Manufacturing Companies and Denominator-level Capacity Concepts and Fixed Cost Capacity Analysis.
3. **Inventory Management:** Inventory Management in Retail Organisations Estimating Inventory Related Relevant Costs and Their Effects and Just in Time Purchasing
4. **Pricing Decisions and Cost Management:** Major Influences on Pricing Decisions, Target Costing for Target Pricing
5. **Strategic Profitability Analysis:** Introduction to Strategy, Strategic Analysis of Operating Income

Assessment Plan

Assessment	Assessment Task	No. Of Times	Proportion of Final Grade
1.	Assignment	5	10%
2.	Mid Term-I Examination	1	15%
3.	Mid Term-II Examination	1	15%
4.	Quizzes	5	10%
5.	Mini Project	1	5%
6.	Presentation	1	5%
7.	Final Examination	1	40%
		Total	100%

Weekly Schedule

WEEK	CHAPTER COVERED	TOPIC	READINGS & ASSIGNMENT
1.	UNIT-1	Flexible Budgets: Introduction, Flexible Budget Variance, Sales Volume Variance, Price Variance and efficiency variance for Direct Cost Inputs.	Ref: pg. 257 -259
2	UNITI - 1	Flexible Budgets: Introduction, Flexible Budget Variance, Sales Volume Variance, Price Variance and efficiency variance for Direct Cost Inputs.	Ref: Pg. 257 -259
3	UNIT – 1	Flexible Budgets: Introduction, Flexible Budget Variance, Sales Volume Variance, Price Variance and efficiency variance for Direct Cost Inputs.	Ref: Pg. 257 -262
4.	UNIT – 2	Inventory Costing and Capacity Analysis:	Ref: 325 - 348

		Inventory Costing for Manufacturing Companies and Denominator-level Capacity Concepts and Fixed Cost Capacity Analysis.	
5	UNIT – 2	Inventory Costing and Capacity Analysis: Inventory Costing for Manufacturing Companies and Denominator-level Capacity Concepts and Fixed Cost Capacity Analysis.	Ref: 325 - 348
6.	UNIT – 2	Inventory Costing and Capacity Analysis: Inventory Costing for Manufacturing Companies and Denominator-level Capacity Concepts and Fixed Cost Capacity Analysis.	Ref: 325 - 348
7.	UNIT – 3	Inventory Management: Inventory Management in Retail Organisations Estimating Inventory Related Relevant Costs and Their Effects and Just in Time Purchasing	Ref: 725-740
8.	UNIT –3	Inventory Management: Inventory Management in Retail Organisations Estimating Inventory Related Relevant Costs and Their Effects and Just in Time Purchasing	Ref: 725-740
9.	UNIT – 3	Inventory Management: Inventory Management in Retail Organisations Estimating Inventory Related Relevant Costs and Their Effects and Just in Time Purchasing	Ref: 725-740
10.	UNIT – 4	Pricing Decisions and Cost Management: Major Influences on Pricing Decisions, Target Costing for Target Pricing	Ref: 455-471
11.	UNIT – 4	Pricing Decisions and Cost Management: Major Influences on Pricing Decisions, Target Costing for Target Pricing	Ref: 455-471
12.	UNIT – 4	Pricing Decisions and Cost Management: Major Influences on Pricing Decisions, Target Costing for Target Pricing	Ref: 455-471
13.	UNIT – 5	Strategic Profitability Analysis: Introduction to Strategy, Strategic Analysis of Operating Income	Ref: 489 - 505
14.	UNIT – 5	Strategic Profitability Analysis:	Ref: 489 - 505

		Introduction to Strategy, Strategic Analysis of Operating Income	
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Required Text:

Cost Accounting: A Managerial Emphasis, by Horngren, Datar, Foster, Rajan and Ittner, Thirteenth Edition, Pearson International Edition.

Suggested Readings:

- 1. Fischer / Frank (1995): Cost Accounting- Theory and Applications, South Western publishing Company.**