

Faculty of Commerce & Business Administration

Cost Analysis & Budgeting

Information :

Course Code : ACC 459 **Level :** Undergraduate **Course Hours :** 3.00- Hours

Department : Department of Accounting

Instructor Information :

Title	Name	Office hours
Lecturer	HANY ABDELMONEM ABDELHAKEM NASRELDIN	1
Teaching Assistant	Lamia Mohamed Sayed Abdellatif	2

Area Of Study :

This course provides a theoretical and practical knowledge of cost accounting systems and procedures. Emphasis is placed on cost-volume-profit analysis, activity-based costing, standard costing systems and variance analysis. It also includes budgeting, types of budgets, responsibility accounting, profit performance evaluation, distribution cost analysis, capital expenditure planning, decision making using cost analysis, and capital budgeting decisions.

Description :

The managerial uses of accounting data, cost behavior analysis, cost-volume-profit analysis, budgeting, responsibility accounting, profit performance evaluation, distribution cost analysis, capital expenditure planning and decision making using cost analysis

Course outcomes :

a.Knowledge and Understanding: :

1 -	Explain how managers use Cost-Volume-Profit (CVP) Analysis in decision making
2 -	Understand how income taxes affect CVP analysis
3 -	Distinguish between simple and activity-based costing (ABC) systems
4 -	Compare between ABC systems and department systems
5 -	Distinguish relevant from irrelevant information in decision making
6 -	Understand how managers use variances
7 -	Describe benchmarking and explain its role in cost management
8 -	Recognize which of two generic strategies a company is using
9 -	Understand what comprises reengineering
10 -	Understand the four perspectives of the balanced scorecard
11 -	Recognize the human aspects of budgeting
12 -	Understand static budgets and static-budget variances
13 -	Examine the concept of a flexible budget and learn how to develop it

b. Intellectual Skills: :

1 -	Explain the features of CVP analysis
2 -	Explain how sensitivity analysis helps managers cope with uncertainty
3 -	Explain how broad averaging under-costs and over-costs products or services
4 -	Present three guidelines for refining a costing system
5 -	Describe a four-part cost hierarchy
6 -	Explain the opportunity-cost concept and why it is used in decision making
7 -	Discuss factors managers must consider when adding or dropping customers or segments
8 -	Describe the master budget
9 -	Describe the responsibility centers and responsibility accounting
10 -	Calculate flexible-budget variances and sales-volume variances
11 -	Know how to choose which products to produce when there are capacity constraints
12 -	Analyze changes in operating income to evaluate strategy
13 -	Explain the four cost categories in a costs-of-quality program

c. Professional and Practical Skills: :

1 -	Differentiate between the different accounting terms and concepts
2 -	Determine the break-even-point (BEP) and output level needed to achieve a target operating income
3 -	Use CVP analysis to plan variable and fixed costs
4 -	Apply CVP analysis to a company producing multiple products
5 -	Evaluate the costs and benefits of implementing ABC systems
6 -	Preparing the operating budget and its supporting activities
7 -	Use computer-based financial planning models for sensitivity analysis
8 -	Compute price variances and efficiency variances for direct cost categories
9 -	Analyze changes in operating income to evaluate strategy
10 -	Develop Non-Financial measures and methods to improve quality

d. General and Transferable Skills: :

1 -	Understand, evaluate accounting problems
2 -	Apply critical thinking skills to determine and support a solution to accounting problems

Course Topic And Contents :

Topic	No. of hours	Lecture	Tutorial / Practical
Chapter Three: Cost-Volume-Profit Analysis	4	3	1
Chapter Three	4	3	1
Chapter Five: Activity-Based Costing and Activity-Based Management	4	3	1
Chapter Six: Decision Making and Relevant Information	4	3	1
Chapter Six	4	3	1
First Mid Term Exam	2		

Course Topic And Contents :

Topic	No. of hours	Lecture	Tutorial / Practical
Chapter Six	4	3	1
Chapter Six	4	3	1
Chapter Seven: Flexible Budgets, Direct-Cost Variances and Management Control	4	3	1
Chapter Seven	4	3	1
Second Mid Term Exam	2		
Chapter Nineteen: Balanced Scorecard: Quality, Time, and Theory of Constraints	4	3	1
Chapter Nineteen	4	3	1
Chapter Nineteen	4	3	1
Revision	4	3	1

Teaching And Learning Methodologies :

Lectures
Data show in lectures
Class discussion
Exercises and cases

Course Assessment :

Methods of assessment	Relative weight %	Week No	Assess What
Final Exam	40.00	16	
First Mid Term Exam	20.00	6	
Participation	10.00	13	
Quiz	10.00	8	
Second Mid Term Exam	20.00	11	

Course Notes :

Handouts