

TAK2040 Cost Accounting

Extended syllabus Autumn 2023

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| Course aims/objectives: | To provide the students with appropriate knowledge of cost and management accounting and enable them to: <ul style="list-style-type: none">• Identify and calculate different types of costs (direct, indirect, variable, and fixed costs).• Distinguish between job-costing, process-costing, and joint-costing systems.• Determine the product cost by means of full-costing and direct-costing methods.• Determine the product cost by means of historical (actual) and standard cost systems. |
| Learning outcomes: | Students will be able interpret and use the accounting data in budgeting, controlling, and analyzing business operations. |
| Brief description of the course (topics): | <ul style="list-style-type: none">• Identify and calculate different types of costs (direct, indirect, variable, and fixed costs).• Distinguish between job-costing, process-costing, and joint-costing systems.• Determine the product cost by means of full-costing and direct-costing methods.• Determine the product cost by means of historical (actual) and standard cost systems• Prepare and analyze Cost-Volume-Profit data |
| Coverage of SDGs and ERS (sustainable development goals, ethics, responsibility and sustainability): | These topics are not covered specifically in this course. Ethical dilemmas are discussed in the context of accounting method choice and application and their influence on performance reporting. |
| Language of the course: | English |
| ECTS credits: | 6 ECTS |
| Students: | This is a compulsory course for students studying on TVTB programme. |
| Special needs: | Persons with disabilities can participate in this course. Please inform the professor(s) as soon as possible regarding any special instruction, or assessments of this course that may be necessary to enable you to fully participate in this course. |
| Registration: | Students who would like to take the course should declare the course in the ÕIS (Student Information System) by deadlines set in the academic calendar. |

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| Prerequisite courses and/or knowledge: | Financial Accounting |
| Prerequisite resources: | MS Office programmes. For free student download see the instructions here |
| Professor(s): | Vaiva.Kiaupaite-Grusniene@taltech.ee |
| Contacting Professor(s): | Preferred means of contact e-mail, responses provided within 2 workdays Office Hours: Tuesday 11:30 – 15:00 or by appointment Thursday 11:30 – 15:00 or by appointment |
| Schedule for classes: | Wednesday 12:00-15:15 Room: SOC-307 Weeks 9-16 TVTB52, TVTB53 |
| Study process description: | This course will be conducted in a manner that encourages class participation by the students. Therefore, students are expected to study the chapter readings PRIOR TO each class. Part of the class will normally be devoted to the discussion and illustration and of selected items from the assigned materials. The objective of these discussions is to clarify and elaborate on certain items because of their special relevance or difficulty. At that time students are encouraged to ask questions if they are confused or uncertain about items discussed or if concepts remain unclear. Additionally, some class time will be devoted to group exercises and problems. |
| Course's e-support: | Course materials can be accessed via the e-learning environment Moodle under the course title https://moodle.taltech.ee/course/view.php?id=11271 Students can enrol to the course themselves using the password: CostAcc123 |
| Study literature: | Horngren, C.T., Datar, S., and Rajan, M. <u>Cost Accounting: A Managerial Emphasis</u> (14 th Edition). |
| Continuous assessment: | Homeworks |
| Evaluation criteria for continuous assessment: | Homeworks will contain simple problem solving exercises to review and stress the concepts covered in the class. Homeworks are to be turned in on the due dates, as noted in syllabus; no late assignments will be accepted. Homeworks can be submitted in hardcopies at the beginning of the class, electronically by posting in course moodle BEFORE the start of the lecture or by e-mail. |
| Exam: | Final Exam |
| Evaluation criteria for the exam: | Tests will include a combination of multiple choice questions to test the theoretical concepts as well as problem solving exercises to test the understanding and application of the accounting principles. |

Final grade:

Course grade will be based on a final-examination, and submitted homework assignments. Grading will be done on a numerical scale during the semester, final grade determined at the end of the course. Each graded item will be given the following value:

The sum of points for each item is converted into a grade using the following principles:

| | Points | % of total grade |
|------------|---------------|-------------------------|
| Homeworks | 6* 33 points | 20% |
| Final Exam | 800 points | 80% |

"5" excellent 91-100

"4" very good 81-90

"3" good 71-80

"2" satisfactory 61-70

"1" poor 51-60

"0" fail less than 51

Academic integrity:

As a student at TTÜ School of Business and Governance, you have an obligation to conduct your academic work with honesty and integrity according to University standards. It is expected that all work that you submit will be your own, and that you have actually done the work that you are submitting. Plagiarism and cheating will not be tolerated. Should you be found to be guilty of such activities, it will be followed with grade "0" for the assignment/exam and a notice will be filed to the School's Committee for Handling Violations of Academic Practice and Contemptible Behaviour. Depending on the Committee's proposal, it may lead to Dean issuing a letter of reprimand or in case of repeated or very severe misconduct, exmatriculation from the University.

Detailed schedule and topics

The semester **plan is preliminary and might be changed** in case of cancellations, changes in available reading material, etc. It is responsibility of the student to keep up with any changes in the course.

Week 9

Date: 01.11.2023

Class introduction; review of syllabus

Chapter 1: Introduction to Management Accounting

Chapter 2: Introduction to Cost terms

HW1: 2-42

Chapter 3: Cost-Volume-Profit Analysis

HW2: 3-38, 3-39

Week 10

Date: 08.11.2023

Chapter 4: Job Order Costing

Chapter 5: Activity-Based Costing and Activity-Based Management

HW3: 4-31, 4-34, 5-38

Week 11

Date: 15.11.2023

Chapter 17: Process Costing

HW4: 17-30, 17-32, 17-33, 17-34

Week 12

Date: 22.11.2023

Chapter 7: Flexible Budgets, Direct-Cost Variances, and Management control

Chapter 8: Flexible Budgets, Overhead Cost Variances and Management Control

HW5: 6-33, 6-34, 7-42, 8-42

Week 13

Date: 29.11.2023

Chapter 6: The Master Budget and Responsibility Accounting

Chapter 7: Flexible Budgets, Direct-Cost Variances, and Management control

Chapter 8: Flexible Budgets, Overhead Cost Variances and Management Control

HW5: 6-33, 6-34, 7-42, 8-42

Week 14

Date: 06.12.2023

Chapter 14: Cost Allocation, Customer-Profitability Analysis, and Sales-Variance Analysis

Week 15

Date: 13.12.2023

Chapter 14: Cost Allocation, Customer-Profitability Analysis, and Sales-Variance Analysis

HW6: 14-30, 14-32, 14-28

EXAM REVIEW

Week 16 – EXAM 3

Date: 20.12.2023 12:00-15:00

Before-class: REVIEW

In class – EXAM

After-class: Holiday

January 2024 exam (preliminary):

January 3: 10:00 - 13:00 Room SOC - 313

January 5: 10:00 - 13:00 Room SOC - 313