



Kuwait University
College of Business Administration
Department of Accounting



Course Syllabus
ACCT 416 – Cost & Managerial Accounting

Dr. Yahya Abdullah

Spring 2025

Lecture time and location

Acct 416/ 02A : 24, 3:30 pm, D2 1017

Contact Information

Location: Department of Accounting – 4th Floor

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Office hours: Wednesday at 12:15 pm, S-04 1040, or by appointment.

Course Description

This course is an extension to Introduction to Cost and Managerial Accounting (Acc. 214).

The course is designed to provide in more depth and detail the important aspects of cost and managerial accounting. It introduces the cost concepts, techniques and analytical procedures necessary for the determination of cost and its uses in planning, control, and decision making. The main topics include: Job and process costing, activity based costing, standard cost and variance analysis, cost allocation, joint cost allocation, capital budgeting, decentralization and performance evaluation, and Relevant cost and benefits in decision making.

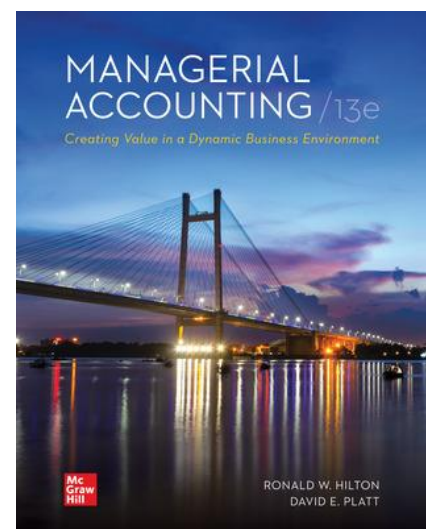
Course Objectives

This course aims to achieve the following learning objectives through proper and balanced selection of relevant text material, exercises, and problems. These objectives are:

1. Contrast cost and financial accounting, explain the different cost concepts, and the code of conduct for management accountant.
2. Demonstrate the manufacturing cost and the underlying accounts and preparing cost of goods manufactured and cost of goods sold schedules.
3. Identify the characteristics of the Job order and, the process costing systems and, outline the accounting process to accumulate the cost of materials, labor, and manufacturing overhead in job order costing systems.
4. Outline the accounting process for over – under applied overhead cost in job order costing.
5. Prepare process cost report and accounting for transferred-in cost.
6. Explain the difference between the traditional costing system and the activity-based costing system (ABC), outlines the product or service using ABC, and compares the results of the ABC with the traditional cost system.
7. Distinguish between flexible budget and static budgets, and prepare flexible budget to analyze direct material, direct labor and manufacturing overhead variances.
8. Allocation of joint cost between joint and by-products, and the relevance of joint cost allocation to decision making.
9. Understanding of segment reporting and its role in responsibility accounting and performance evaluation.
10. Explain the importance of setting the price for the products and the way to do so.
11. Prepare analysis of various, decisions, properly identify the relevant costs and benefits.

Class Materials

Required Text: *R.W. Hilton 13th Global Edition. Managerial Accounting, McGraw-hill, Irwin*



Course Requirement Policies

You are responsible for knowing these policies

“I didn’t know” is not an excuse

▪ **Classroom Conduct**

Using your phone (or any electronic device) and talking in class is distracting and disrespectful to your fellow colleagues and professor.

- Inappropriate and disruptive classroom behavior might lead to your dismissal from class.

▪ **Attendance**

Please arrive on time. Attendance will be taken within five minutes.

Every Student in this course must abide by the Kuwait University policy of attendance (published in the Student Guide, chapter 3, section 13). A copy of the student guide can be accessed on: http://www.kuniv.edu/cs/groups/ku/documents/ku_content/kuw055940.pdf

▪ **Participation**

It is very important that students are prepared for each class period. The quality of our classroom discussions in large part depends on you and your preparation for class. Your questions help me explain the material effectively.

▪ **Cheating and Plagiarism**

Every student in this course must abide by the Kuwait University Policy on Cheating and Plagiarism (Published in the student guide, chapter 3, section 2). A copy of the study guide can be accessed online on:

http://www.kuniv.edu/cs/groups/ku/documents/ku_content/kuw055940.pdf

▪ **Make-up Exams:**

Make-up Exams will be given for missed exams only in cases of a University-approved excused absence. You must contact me **before the exam** to notify me of your inability to take the exam. Otherwise, no make-up exams will be granted.

▪ **Communication:**

Class announcements will be posted on Teams. Please do not message me on teams, as I do not check those chats. If you need to communicate with me, I will **ONLY** respond to emails sent from university email addresses (@ku.edu.kw). Ensure that the subject of your email includes the **course number** and the class **starting time**.

▪ **Disability:**

Any student who has a need for special accommodation should contact me privately to discuss the specific situation NO later than the first week. You should contact the Dean of Students Affairs Office for proper documentation to maintain an individualized service plan of accommodation

Student Evaluation

The grades for this class are distributed as follows:

Grade	Activity
15	Quizzes
10	Homework Assignments and Participation
35	Midterm
40	Final Exam – Tuesday, 20/05/2025, 11:00-1:00
100	Total

NOTE: The weight of the scores may change.

Grade distribution

Range	Grade
≥ 95	A
90-94	A-
87-89	B+
83-86	B
80-82	B-
77-79	C+
73-76	C
70-72	C-
65-69	D+
60-64	D
≤ 59	F

Tentative Class Outline*

Week	Chapter	Title / Topics	Page #
Week 1	1	The Changing Role of Managerial Accounting In a Dynamic Business Environment	Pg. 4 to 23
Week 2	2	Basic Cost Management Concepts <ul style="list-style-type: none"> • What do we mean by a cost? • Cost on financial statements. • Manufacturing cost flows. • Basic cost management concepts 	Pg. 36 to 55
Week 2 & 3	3	Product Costing and Cost Accumulation <ul style="list-style-type: none"> • Product and service costing. • Flow of costs in manufacturing firms. • Types of product-costing systems. • Accumulating costs in a Job-Order Costing. • Illustration of Job-Order Costing. 	Pg. 80 to 97
Week 4	5	Activity-Based Costing and Management <ul style="list-style-type: none"> • Traditional Volume-Based product costing The Activity-Based Costing (ABC) system	Pg. 166 to 178
Week 5	4	Process Costing and Hybrid Product-Costing Systems <ul style="list-style-type: none"> • Comparison of Job-order and Process costing • Equivalent Units: A key Concept. • Illustration of Process Costing. 	Pg. 134 to 144
Week 6 & 7	10	Standard Costing and Analysis of Direct Costs	ALL
Week 8 & 9	11	Flexible Budgeting and Analysis of Overhead Costs <ul style="list-style-type: none"> • Overhead budgets. • Flexible overhead budget illustrated. • Overhead Application in a standard-costing system. • Choice of Activity measures. • Cost management using overhead cost variances. 	Pg. 454 to 467
Week 10	13	Investment Centers and Transfer Pricing <ul style="list-style-type: none"> • Delegation of decision making. 	Pg. 544 to 552
Week 11	14	Decision Making: Relevant Costs and Benefits <ul style="list-style-type: none"> • Relevant information. • Identifying relevant costs and benefits. • Special decisions in manufacturing firms (Joint Product Costs). 	Pg. 591 to 605
Week 12	15	Target Costing and Cost Analysis for Pricing Decisions	Pg. 666 to 681

* This tentative schedule is subject to changes.

CBA Competency Goals

1. **Analytical Competency:** A CBA graduate will be able to use analytical skills to solve business problems and make a well-supported business decision.

Students Learning Objectives:

- Use appropriate analytical techniques to solve a given business problem.
- Critically evaluate multiple solutions to a business problem.
- Make well-supported business decisions.

2. **Communication Competency:** A CBA graduate will be able to communicate effectively in a wide variety of business settings.

Students Learning Objectives:

- Deliver clear, concise, and audience-centered presentations.
- Write clear, concise, and audience-centered business documents.

3. **Information Technology Competency:** A CBA graduate will be able to utilize Information Technology for the completion of business tasks.

Students Learning Objectives:

- Use data-processing tools to analyze or solve business problems.

4. **Ethical Competency:** A CBA graduate will be able to recognize ethical issues present in business environment, analyze the tradeoffs between different ethical perspectives, and make a well-supported ethical decision.

Students Learning Objectives:

- Identify the ethical dimensions of a business decisions.
- Recognize and analyze the tradeoffs created by application of competing ethical perspectives.
- Formulate and defend a well-supported recommendation for the resolution of an ethical issue.

5. **General Business Knowledge:** A CBA graduate will be able to demonstrate a basic understanding of the main business disciplines' concepts and theories.

Students Learning Objectives:

- Acquire a fundamental understanding of knowledge from the main business disciplines (e.g., finance, accounting, marketing, and management information systems, among others).