

MINISTRY OF EDUCATION



Republic of Ghana

TEACHING SYLLABUS FOR PRINCIPLES OF COST ACCOUNTING (SENIOR HIGH SCHOOL (1 - 3))

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TEACHING SYLLABUS FOR PRINCIPLES OF COST ACCOUNTING

RATIONALE FOR TEACHING PRINCIPLES OF COST ACCOUNTING

Cost accounting as a discipline in the business programme equips students with the basics of cost awareness and cost reduction to ensure creation and cautious use of resources in small and large scale organizations.

Sections selected include basic principles, costing methods for cost and pricing purposes, costing techniques which are used to control and make informed decisions to bear on cost units and cost centers in an organization. There are other topics that could be applied to cost determination and pricing of products.

A study of the principles provides an in-depth knowledge and skill required for determining, analyzing and reporting cost information in small-scale businesses and other organizations. It realizes and maintains the tenets of morals and values associated with the business program as a whole.

GENERAL AIMS

The syllabus has been designed to help students to:

1. use the concepts of cost in costing and pricing of products and activities.
2. appreciate the need to apply cost accounting principles in everyday life.
3. adopt moral ethics and values in costing and pricing products in all spheres of life.
4. acquire skills and abilities to aid planning, analysis, production, marketing, finance, etc. in various areas in business and personal life.
5. use costing as a means of control and decision making in business and other spheres of life.
6. encourage students to take higher tasks and assignments in cost accounting in the tertiary institutions particularly during the first year of study of the subject.

SCOPE OF CONTENT

- The syllabus is geared towards provision of knowledge, skill and competence to students who may see the need to open their own businesses or seek employment in organizations after Senior High School.
- It offers adequate foundation to students who will pursue further education in tertiary institutions.
- It provides brighter opportunities for students to undertake professional courses.
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The syllabus has been grouped into eight sections for easy reading and understanding:

The sections are as follows:

- Introduction to cost accounting
- Classification of costs
- Accounting for materials
- Accounting for labour
- Accounting for overheads
- Costing methods for cost and pricing
- Costing techniques for control and decision making
- Cost bookkeeping.

PRE-REQUISITE SKILLS AND ALLIED SUBJECTS

The study of Principles of Cost Accounting will require knowledge in English Language and Mathematics. Other subjects like Integrated Science and Social studies at the Junior High School level will help in the effective study of the course.

To offer the course under the Business programme, the following elective subjects are compulsory:

- Financial Accounting
- Business Management

STRUCTURE AND ORGANIZATION OF THE SYLLABUS

This syllabus has been well structured to cover three (3) years of the Senior High School programme. Each year's work consists of a number of sections and associated units.

The structure and organization of the syllabus for the three year SHS programme is shown overleaf:

STRUCTURE AND ORGANIZATION OF THE SHS PRINCIPLES OF COST ACCOUNTING SYLLABUS

SHS 1	SHS 2	SHS 3
TERM 1	TERM 1	TERM 1
<p>SECTION 1: SCOPE OF COST ACCOUNTING</p> <p>Unit 1: Meaning of cost accounting Unit 2: Characteristics of good costing system Unit 3: Basic costing terminologies Unit 4: Types of cost Unit 5: Qualities of good cost information</p>	<p>SECTION 1: ACCOUNTING FOR OVERHEADS</p> <p>Unit 1: Analysis of overheads Unit 2: Absorption of overheads</p> <p>SECTION 2: Activity Based Costing</p>	<p>SECTION 1: COSTING TECHNIQUES FOR CONTROL AND DECISION (2)</p> <p>Unit 1: Budgeting and budgetary control Unit 2: Functional Budgets Unit 3: Standard costing</p>
TERM 2	TERM 2	TERM 2
<p>SECTION 2: CLASSIFICATION OF COST</p> <p>Unit 1: Methods of cost classification Unit 2: Elements of cost</p> <p>SECTION 3: ACCOUNTING FOR MATERIALS (1)</p> <p>Unit 1: Material control Unit 2: Stores keeping Unit 3: Stock control levels</p>	<p>SECTION 3: COSTING METHODS</p> <p>Unit 1: Job/Batch costing Unit 2: Contract costing Unit 3: Service costing Unit 4: Processing costing</p>	<p>SECTION 2: COST BOOK KEEPING</p> <p>Unit 1: Cost accounts – interlocking Unit 2: Reconciliation of cost and financial profits Unit 3: Cost accounts – integrated method</p>
TERM 3	TERM 3	
<p>SECTION 4: ACCOUNTING FOR MATERIALS (2)</p> <p>Unit 4: Material pricing and stock valuation</p> <p>SECTION 5: ACCOUNTING FOR LABOUR</p> <p>Unit 1: Labour activity Unit 2: Labour remuneration Unit 3: Time keeping Unit 4: Labour turnover Unit 5: Payroll accounting</p>	<p>SECTION 4: COSTING TECHNIQUES FOR CONTROL AND DECISION (1)</p> <p>Unit 1: Marginal Costing and Absorption Costing Unit 2: Break-Even Analysis Unit 3: Break-Even Chart</p>	

TIME ALLOCATION

Principles of Cost Accounting is allocated six (6) periods of 40 minutes each per week.

SUGGESTIONS FOR TEACHING THE SYLLABUS

Principles of Cost Accounting is a dynamic subject and teachers are therefore advised to read books of current edition and other academic and professional journals relating to the subject in order to up-date their knowledge and skills. Assessing the internet facility is an advantage.

GENERAL OBJECTIVES

General objectives have been listed at the beginning of each section. The general objectives specify the skills and behaviours students should acquire as a result of learning the units of a section. Read the general objectives carefully before you start teaching the sections. The general objectives must be read again after teaching all units of the section to ensure complete coverage of the objectives.

SECTIONS AND UNITS

The syllabus has been planned on the basis of Sections and Units. Each year's work is divided into sections. A section consists of a fairly homogenous body of knowledge within the subjects. Within each section are units. A unit consists of a more related and homogenous body of knowledge and skills.

The syllabus is structured in five columns: Units, Specific Objectives, Contents, Teaching and Learning Activities and Evaluation. A description of the element of each column is as follows:

Column 1 – Units: The units in column 1 are divisions of the major topics of the section. You are expected to follow the unit topics according to the linear order in which they have been presented. However, if you find at a point that teaching and learning in your class will be more effective if you skip to another unit in the sequence, you may do so.

Column 2 – Specific Objectives: Column 2 shows objectives which begin with numbers such as 3.4.5 or 4.4.1. These numbers are referred to as “syllabus Reference Numbers”. The first digit in the syllabus reference number refers to the section, the second digit refers to the unit, while the third digit refers to the rank order of the specific objectives. For example 3.4.5 means Section 3, Unit 4 (of section) and objective 5. Using syllabus reference numbers provides an easy way of communication among educators. It also provides an easy way of selecting objectives for test construction. For instance, if unit 1 of section 2 of year one has five specific objectives: 2.1.1 – 2.1.5, a teacher may want to base his/her test items/questions on objectives 2.1.3 and 2.1.4 and not use the other three objectives. In this way, the teacher would sample the objectives within units and within sections to be able to develop a test that accurately reflects the importance of the various skills taught in class.

You will note also that specific objectives have been stated in terms of the student ie. what the student will be able to do after the instruction and learning in the unit. Each specific objective starts with the following ‘The students will be able to’,. This in effect means that you have to address the learning problems of each individual student. It means individualizing your instructions as much as possible such that the majority of students will be able to master the objectives of each unit of the syllabus.

Column 3 – Content: The “content” in the third column of the syllabus presents a selected body of information that you will need to use in teaching a particular unit. In some cases, the content presented is quite exhaustive. In other cases, you could add more information to the content presented. In a few cases, the content space has been left blank for you to develop.

Column 4 – Teaching and Learning Activities (T/LA): Teaching and Learning Activities that will ensure maximum student involvement and participation in the lessons are presented in column 4. Avoid rote learning and drill-oriented methods and rather, emphasize on participatory teaching and learning. Teachers are also encouraged to emphasize the cognitive, affective and psychomotor domains of knowledge in their instructional system where appropriate. Teaching in schools is expected to be students centered. You are encouraged to re-order the suggested teaching and learning activities and also add to them where necessary in order to achieve optimum student learning. As we have applied already, the major purpose of teaching and learning is to make students acquire the habit of analytical thinking and the capacity to apply their knowledge to solve problems. You should select a practical problem for each lesson. The selection must be made such that students can use knowledge gained in the previous lesson and other types of information not specifically taught in class.

At the beginning of a lesson, state the problem or write the problem on the board. Let students analyze the problem, suggest solutions, criticize solutions offered, justify solutions and evaluate the worth of possible solutions.

There may be a number of units where you need to re-order specific objectives to achieve required learning effects.

Column 5 – Evaluation: Suggestions and exercises for evaluating the lessons taught in each unit are indicated in Column 5. Evaluation exercises can be in the form of oral questions, quizzes, essay structured questions, practice questions, project work, etc. Try to ask questions and set tasks and assignments that will challenge your students to apply their knowledge to issues and problems as we have already emphasized above and that will engage them in developing solutions and positive attitudes towards the subject as a result of having undergone thorough instruction in this subject. Where the suggested evaluation tasks are not exhaustive, you are encouraged to develop other creative evaluation tasks to ensure that students have mastered the instruction and behaviour implied in the specific objectives of each unit.

You should develop a scheme of work and lesson plan for teaching the various units in this syllabus. The syllabus must not be used as a substitute for lesson plans.

PROFILE DIMENSIONS

A central aspect of this syllabus is the concept of profile dimensions that should be the basis for instructions and assessment. A “dimension” is a psychological unit for describing a particular learning behaviour. More than one dimension constitute a profile of dimensions. A specific objective such as: “The student will be able to solve, etc, contains an active verb “solve,” that indicates what the student will be able to do after teaching has taken place. Being able to “solve” a problem after the instruction has been completed means that the student has acquired knowledge. Being able to explain, summarize, give adequate examples, etc. means that the student has understood the lesson taught. Similarly, being able to develop, plan, construct etc. means that the student has learnt to create, innovate or synthesize knowledge. You will note that each of the specific objectives in this syllabus contains an ‘action verb’ that describes the behaviour the students will be able to demonstrate after the instruction. “Knowledge,” “Application” etc. are dimensions that should be the main focus of teaching and learning in schools. Instructions in most cases have tended to stress knowledge acquisition to the detriment of other higher level behaviours such as application, analysis, etc. What is important in learning is to be able to apply knowledge in a variety of situations. These are higher learning skills. Each action verb indicates the underlying profile dimension of each particular specific objective. Instructors/Teachers should read each objective carefully to know the profile dimension towards which they have to achieve.

DEFINITION OF PROFILE DIMENSIONS

In Principles of Cost Accounting, the two profile dimensions that have been specified for teaching, learning and testing are:

Knowledge and Understanding	40%
Application of Knowledge	60%

The explanation of the dimensions and the key action verbs associated with each profile dimension are as follows:

Knowledge and Understanding (KU)

knowledge	The ability to: remember, recall, identify, define, describe, list, name, match, state principles, facts and concepts. Knowledge is simply the ability to remember or recall material already learned and constitutes the lowest level of learning.
understanding	The ability to: explain, summarize, translate, rewrite, paraphrase, give examples, generalize, estimate or predict consequences based upon a trend. Understanding is generally the ability to grasp the meaning of some material that may be verbal, pictorial, or symbolic.

Application of Knowledge (AK)

The ability to use knowledge or apply knowledge, as implied in this syllabus, has a number of learning/behaviour levels. These levels include application, analysis, innovation or creativity and evaluation. These may be considered and taught separately, paying attention to reflect each of them equally in your teaching. The dimension “Application of Knowledge” is a summary dimension for all four learning levels. Details of each of the four sub-levels are as follows:

application	The ability to: apply rules, methods, principles, theories, etc. concrete situations that are new and unfamiliar. It also involves the ability to produce, solve, operate, demonstrate, discover, etc.
analysis	The ability to: break down a piece of material into its component parts; differentiate, compare, distinguish, outline, separate, identify significant points, etc., recognize unstated assumptions and logical fallacies, recognize inferences from facts, etc. Analytical ability underlies discriminating thinking.
Innovation/Creativity	The ability to put parts together to form a new whole. It involves the ability to synthesize, combine, compile, compose, devise, suggest a new idea or possible ways, plan, revise, design, organize, create, and generate new solutions. The ability to create or innovate is the highest form of learning. The world becomes more comfortable because some people, based on their learning, generate new ideas, design and create new things.
Evaluation	The ability to: appraise, compare features of different things and make comments or judgments, contrast, criticize, justify, support, discuss, conclude, make recommendations etc. Evaluation refers to the ability to judge the worth or value of some materials, ideas etc., based on some criteria. Evaluation is a constant decision making activity. We generally compare, appraise and select throughout the day. Every decision we make involves evaluation. Evaluation is a high level ability just as application, analysis and innovation or creativity since it goes beyond simple knowledge acquisition and understanding.

The action verbs provided under the various profile dimensions and in the specific objectives of the syllabus should help you to structure your teaching such as to achieve the effects needed. Select from the action verbs provided for your teaching, in evaluating learning, before, during and after the instruction. Use the action verbs also in writing your test questions.

FORM OF ASSESSMENT

It must be emphasized again that it is important that both instruction and assessment be based on the profile dimensions of the subject. In developing assessment procedures, select specific objectives in such a way that you will be able to assess a representative sample of the syllabus objectives. Each specific objective in the syllabus is considered a criterion to be achieved by the student. When you develop a test that consists of items or questions that are based on a representative sample of the specific objectives taught, the test is referred to as a "Criterion-Referenced Test". In many cases, a teacher cannot test all the objectives taught in a term, year, etc. The assessment procedure you use i.e. class tests, home work, projects, etc. must be developed in such a way that it will consist of a sample of the important objectives taught over a period.

The West African Examinations Council (WAEC) generally set two papers – 1 and 2 at the WASSCE. Paper 1 is an objective test and Paper 2 being theory and practice questions. Try to emulate this by developing an objective test paper (Paper 1) that consists of forty items. Paper 2 is a 2 hour 10 minutes paper. It consists of four essay questions out of which candidates will be required to answer any two in section A and five practice questions out of which three must be attempted in section B.

The last row shows the weight of the marks allocated to each of the three test components. The two papers and continuous assessment are weighted differently. Paper 1, the objective test paper is weighted 20%. Paper 2 is a more intellectually demanding paper and is therefore weighted 20%. The percentages in the last row show the contribution of each test paper to the total marks in the examination.

Each of the dimensions has been given a percentage weight that should be reflected in teaching, learning and testing.

DISTRIBUTION OF EXAMINATION PAPER WEIGHTS AND MARKS

Dimensions	Paper 1	Paper 2 Section A	Paper 2 Section B	School Based Assessment	Total Marks	Weight of Dimensions
Knowledge and Understanding	12	8	20	40	80	43
Application of Knowledge	8	12	40	-	60	57
Total Marks	20	20	60	40	140	-
% Contribution of Papers	14	14	42	30	-	100

The total number at the bottom of columns 2 and 3 are the weights for Paper 2. The numbers in the cells of papers 1 and 2 indicate the marks to be allocated to the items/questions that test each of the dimensions in the first column. The last column shows the total marks allocated to each of the dimensions. Note that the column numbers agree with profile dimension weights already provided.

GUIDELINES FOR SCHOOL-BASED ASSESSMENT (SBA)

A new School Based Assessment system (SBA) will be introduced into the school system in 2011. The new SBA system is designed to provide schools with an internal assessment system that will help schools to achieve the following purposes:

- Standardize the practice of internal school-based assessment in all Senior High Schools in the country
- Provide reduced assessment tasks for subjects studied at SHS
- Provide teachers with guidelines for constructing assessment items/questions and other assessment tasks
- Introduce standards of achievement in each subject and in each SHS class
- Provide guidance in marking and grading of test items/questions and other assessment tasks
- Introduce a system of moderation that will ensure accuracy and reliability of teachers' marks
- Provide teachers with advice on how to conduct remedial instruction on difficult areas of the syllabus to improve class performance.

The arrangement for SBA may be grouped in categories as follows: Project, Mid-Term test, Group Exercise and End of Term Examination.

Project: This will consist of a selected topic to be carried out by groups of students for a year. Segments of the project will be carried out each term toward the final project completion at the end of the year, The project may consist of

- i) Investigative study
- ii) Practical work
- iii) Case Study

Mid-Term Test: The mid-term test following a prescribed format will form part of the SBA

Group Exercise: This will consist of written assignments or practical work on a topic(s) considered important or complicated in the term's syllabus

End-of-Term Examination: The end-of-term test is a summative assessment system and should consist of the knowledge and skills students have acquired in the term. The end-of-term test for Term 3 for example, should be composed of items/questions based on the specific objectives studied over the three terms, using a different weighting system such as to reflect the importance of the work done in each term in appropriate proportions. For example, a teacher may build an End-of-Term 3 test in such a way that it would consist of the 20% of the objectives studied in Term 1, 20% of objectives studied in Term 2 and 60% of the objectives studied in Term 3.

GRADING PROCEDURE

To improve assessment and grading and also introduce uniformity in schools, it is recommended that schools adopt the following WASSCE grade structure for assigning grades on students' test results. The WASSCE structure is as follows:

Grade A1:	80 - 100%	-	Excellent
Grade B2:	70 - 79%	-	Very Good
Grade B3:	60 - 69%	-	Good
Grade C4:	55 - 59%	-	Credit
Grade C5:	50 - 54%	-	Credit
Grade C6:	45 - 49%	-	Credit
Grade D7:	40 - 44%	-	Pass
Grade D8:	35 - 39%	-	Pass
Grade F9:	34% and below	-	Fail

In assigning grades to students' test results, you are encouraged to apply the above grade boundaries and the descriptors which indicate the meaning of each grade. The grade boundaries i.e., 60-69%, 50-54% etc., are the grade cut-off scores. For instance, the grade cut-off score for B2 grade is 70-79% in the example. When you adopt a fixed cut-off score grading system as in this example, you are using the criterion-referenced grading system. By this system a student must make a specified score to be awarded the requisite grade. This system of grading challenges students to study harder to earn better grades. It is hence a very useful system for grading achievement tests.

Always remember to develop and use a marking scheme for marking your class examination scripts. A marking scheme consists of the points for the best answer you expect for each question, and the marks allocated for each point raised by the student as well as the total marks for the question. For instance, if a question carries 20 marks and you expect 6 points in the best answer, you could allocate 3 marks or part of it (depending upon the quality of the points raised by the student) to each point, hence totaling 18 marks, and then give the remaining 2 marks or part of it for organization of answer. For objective test papers you may develop an answer key to speed up the marking.

SENIOR HIGH SCHOOL - YEAR 1 - TERM 1

SECTION 1

SCOPE OF COST ACCOUNTING

General objectives: The student will:

1. appreciate the role of Cost Accounting in managing business.
2. be aware of the predisposed differences between cost accounting, management accounting and financial accounting.
3. appreciate the need to install cost accounting in business and Industry.
4. be to the merits and demerits of cost accounting in business and industry.
5. acquire knowledge on types of cost in business and industry.

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION
UNIT 1 MEANING OF COST ACCOUNTING	The student will be able to: 1.1.1 explain cost accounting. 1.1.2 explain functions of cost accounting 1.1.3 outline differences among cost accounting, management accounting and financial accounting.	Meaning of cost accounting: Cost accounting is a system of ascertaining cost incurred in the whole organization and relating such costs to the cost centres or cost units. Functions of cost accounting. - ascertainment of cost. - fixing of selling prices. - etc. Differences among cost accounting, management accounting and financial accounting.	Assist students to: discuss the meaning of cost accounting. discuss functions of cost accounting discuss Cost Accounting, Management Accounting, and Financial Accounting and draw their differences.	Explain the functions of cost accounting. Differentiate between Cost accounting and Financial accounting.
UNIT 2 CHARACTERISTICS OF A GOOD COSTING SYSTEM	1.2.1 state the characteristics of a good costing system.	Characteristics of a good costing system. e.g. cost information should be: 1. simple, 2. relevant, 3. cost effective, 4. etc.	discuss the characteristics of a good costing system.	

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION
UNIT 2 (CONT'D) CHARACTERISTICS OF A GOOD COSTING SYSTEM	The student will be able to: 1.2.2 explain the factors of installing cost accounting system in industries and other small businesses.	Factors of installing cost accounting system.	Assist students to: brainstorm to come out with the factors considered in installing costing system in small businesses.	Write reports on findings.
UNIT 3 BASIC COSTING TERMINOLOGIES	1.3.1. explain costing terminologies.	Basic costing terminologies e.g.: Cost center Cost unit Unit cost Cost apportionment Cost allocation Cost accumulation Cost reduction Cost estimation	discuss the various costing terminologies listed.	Apply the terminologies in simple computation of cost items.
UNIT 4 TYPES OF COST	1.4.1. explain types of cost.	Types of cost e.g.: - Direct cost - Indirect cost - Conversion cost - Notional cost - Traceable cost - Untraceable cost - Sunk cost - Historical cost - Opportunity cost - Imputed cost. - Avoidable cost - Unavoidable cost - Controllable cost - Uncontrollable cost	discuss the types costs list the cost of items they require for the term in the school. Note: Let them stress on the importance of needs as against wants	
UNIT 5 QUALITIES OF GOOD COST INFORMATION	1.5.1. explain qualities of good cost information.	Qualities of good cost information e.g.: Good cost information should be: - comparable - timely - brief - objective	brainstorm to come out with the qualities of good cost information to management and industries.	Mention four qualities of good cost information.

SENIOR HIGH SCHOOL - YEAR 1 - TERM 2

SECTION 2

CLASSIFICATION OF COST

General objectives: The student will:

1. acquire knowledge on how costs are classified.
2. be aware of the differences between the elements of cost.

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION																
UNIT 1 METHODS OF COST CLASSIFICATION	The student will be able to: 2.1.1 classify cost correctly. 2.1.2 apply the components of cost build-up in costing methods and techniques of ascertaining the cost/profit of an activity or product.	Cost classification e.g. <ul style="list-style-type: none"> - behaviour - function - nature - controlling - time - relation to product - normality, etc. Components of cost: <ul style="list-style-type: none"> - prime cost - overheads - factory cost - cost of production - cost of sales - total cost 	Assist students to: visit well established organizations for a discussion on classification of cost. discuss the various components of cost identified and compute cost of production. <u>Computation of cost</u> <table style="margin-left: auto; margin-right: 0;"> <tr> <td></td> <td style="text-align: right;">GH¢</td> </tr> <tr> <td>Direct material cost</td> <td style="text-align: right;">xx</td> </tr> <tr> <td>Direct labour cost</td> <td style="text-align: right;">xx</td> </tr> <tr> <td>Direct expenses</td> <td style="text-align: right;">xx</td> </tr> <tr> <td>Prime cost</td> <td style="text-align: right;">xxx</td> </tr> <tr> <td>Add Production Overheads</td> <td style="text-align: right;">xx</td> </tr> <tr> <td>Cost of production</td> <td style="text-align: right;">xxx</td> </tr> <tr> <td></td> <td style="text-align: right;">===</td> </tr> </table>		GH¢	Direct material cost	xx	Direct labour cost	xx	Direct expenses	xx	Prime cost	xxx	Add Production Overheads	xx	Cost of production	xxx		===	Classify costs from given data. Compute cost of production from set examples.
	GH¢																			
Direct material cost	xx																			
Direct labour cost	xx																			
Direct expenses	xx																			
Prime cost	xxx																			
Add Production Overheads	xx																			
Cost of production	xxx																			
	===																			

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION
UNIT 2 ELEMENTS OF COST	The student will be able to: 2.2.1 explain the elements of cost.	Elements of cost: <ul style="list-style-type: none"> - Material - Labour - Expenses 	Guide students to analyze the elements of costs: <u>TABLE ANALYSING ELEMENTS OF COST</u> $\begin{array}{rcl} \text{Material cost} & = & \text{Direct material cost} + \text{Indirect material cost} \\ + & & + \\ \text{Wages} & = & \text{Direct wages} + \text{Indirect wages} \\ + & & + \\ \underline{\text{Expenses}} & = & \underline{\text{Direct Expenses}} + \underline{\text{Indirect Expenses}} \\ \underline{\underline{\text{Total cost}}} & = & \underline{\underline{\text{Prime cost}}} + \underline{\underline{\text{Overheads}}} \end{array}$	Show the distinction between material cost, labour cost and expense.

SECTION 3

ACCOUNTING FOR MATERIALS (1)

General objectives: The student will:

1. appreciate the need to control cost of materials.
2. acquire the skill of keeping accurate and appropriate records on materials.

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION
UNIT 1 MATERIAL CONTROL	The student will be able to:		Guide students to:	
	3.1.1 explain material.	Meaning of material: All ingredients that go into production direct or indirect to undergo some processes before turning out in a desirable consumer or producer goods.	visit the school's store or any firm to observe how materials are received into stores before issuing them.	Write report on the visit for presentation.
	3.1.2 identify procedures and documents used in purchasing	Purchasing procedures and documents used.	discuss procedures of purchasing and prepare the documents.	
	3.1.3 receive and inspect materials.	Reception and inspection of materials.	using actual material control forms, discuss the procedure for receiving and inspecting materials in organizations.	
	3.1.4 identify the steps used in issuing materials.	Steps in issuing materials.	discuss the steps in issuing of materials.	
3.1.5 prepare documents used in issuing materials.	Documents used in issuing materials: - material requisition notes - material returned notes - material transfer notes, etc	discuss documents in issuing material.	Prepare any three documents used in issuing materials.	
UNIT 2 STORES KEEPING	3.2.1 explain stores keeping.	Meaning of stores keeping	discuss the meaning of stores keeping.	
	3.2.2 identify the functions of the store keeper.	Functions of the store keeper: - receiving of materials - recording of materials - keeping and protecting of materials - issuing of materials	mention the functions of the store keeper. discuss the points raised.	List five functions of a store keeper.

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION
<p>UNIT 2 (CONT'D)</p> <p>STORES KEEPING</p>	<p>The student will be able to:</p> <p>3.2.3 explain the need for classification and coding of materials.</p> <p>3.2.4 explain the differences between continuous stock taking and periodic stock taking.</p> <p>3.2.5 identify the various documents used in recording stock</p> <p>3.2.6 identify the user, purpose and origin of stores documents.</p>	<p>Reasons for classification and coding of materials in store.</p> <ul style="list-style-type: none"> - To speed up recording of information about materials. - To reduce errors in stock taking and valuation. etc. <p>Methods of stock taking:</p> <ul style="list-style-type: none"> - Continuous stock taking and perpetual inventory system. - Periodic stock taking. <p>Continuous stocktaking is where materials are physically counted several times within the year.</p> <p>Periodic stock taking: It is the physical counting of stock once in a year.</p> <p>Documents used in recording stock:</p> <ul style="list-style-type: none"> - inspection report - goods received note - bin card - stock record card - stores ledger card - material requisition note - material returned note - purchase requisition note, <p>User, purpose and origin of stores documents.</p>	<p>Assist students to:</p> <p>visit a nearby store and guide them to group the items according to their similarities and assign code names to them.</p> <p>discuss the types of stocktaking to come out with the differences between them.</p> <p>Note: assist students to brainstorm to come out with advantages and disadvantages of each method.</p> <p>discuss the listed documents using live copies.</p> <p>visit the school stores to study the types of documents used in stores recording.</p> <p>Note: Stress the need to avoid over and under invoicing to maintain honesty in their field of work.</p> <p>discuss user, purpose and origin of stores documents.</p> <p>Note: State reasons why the various stores documents are raised.</p>	<p>List all items under the code names given.</p> <p>List five differences between continuous stock taking and the periodic stock taking.</p> <p>Prepare any three documents used in stores.</p> <p>Mention users of the documents.</p>

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION
UNIT 3 STOCK CONTROL LEVELS	3.3.1 identify the various formulae for calculating stock control levels.	Stock levels: <ul style="list-style-type: none"> - maximum stock level - minimum stock level - re-order level - average stock level. reorder/Economic Order quantity Use formulae to various stock levels	Assist students to: Calculate stock levels: E.g. Reorder level = Maximum consumption X Maximum lead time	Use the formulae in computing stock levels.

SENIOR HIGH SCHOOL - YEAR 1 - TERM 3

SECTION 4

ACCOUNTING FOR MATERIALS (2)

General objective: The student will:

1. appreciate the need to use the various methods to value stock.

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION																											
UNIT 4 MATERIAL PRICING AND STOCK VALUATION	The student will be able to: 4.4.1 prepare stores ledger accounts to ascertain the value of closing stock.	Material pricing methods: <ul style="list-style-type: none"> - First in First out (FIFO) - Last in First out (LIFO) - Weighted average - Simple average - Standard price - Replacement price 	Assist students to: solve questions under material pricing using the following format: <div style="text-align: center;">STORES LEDGER CARD</div> <table border="1" style="width: 100%; border-collapse: collapse; margin: 0 auto;"> <thead> <tr> <th style="width: 10%;">Date</th> <th colspan="3" style="width: 30%;">Receipts</th> <th colspan="3" style="width: 30%;">Issues</th> <th colspan="2" style="width: 15%;">Balance</th> </tr> <tr> <td></td> <th style="width: 5%;"><u>Qty</u></th> <th style="width: 10%;"><u>Rate</u></th> <th style="width: 15%;"><u>Amt</u></th> <th style="width: 5%;"><u>Qty</u></th> <th style="width: 10%;"><u>Rate</u></th> <th style="width: 15%;"><u>Amt</u></th> <th style="width: 5%;"><u>Qty</u></th> <th style="width: 5%;"><u>Amt</u></th> </tr> </thead> <tbody> <tr> <td style="height: 40px;"></td> <td></td><td></td><td></td> <td></td><td></td><td></td> <td></td><td></td> </tr> </tbody> </table>	Date	Receipts			Issues			Balance			<u>Qty</u>	<u>Rate</u>	<u>Amt</u>	<u>Qty</u>	<u>Rate</u>	<u>Amt</u>	<u>Qty</u>	<u>Amt</u>										Solve questions from given data using different pricing methods.
	Date	Receipts			Issues			Balance																							
	<u>Qty</u>	<u>Rate</u>	<u>Amt</u>	<u>Qty</u>	<u>Rate</u>	<u>Amt</u>	<u>Qty</u>	<u>Amt</u>																							
	4.4.2 identify the characteristics, advantages and disadvantages of pricing levels	Characteristics, advantages and disadvantages of pricing methods.	come out with the characteristics, advantages and disadvantages of each method mentioned under 4.4.1	State two advantages and two disadvantages each of any three methods of stock valuation.																											

SENIOR HIGH SCHOOL - YEAR 1 - TERM 3

SECTION 5 ACCOUNTING FOR LABOUR

General objectives: The student will:

1. appreciate the need to cost labour and keep accurate records of labour attendance.
2. be aware of the causes, effects and computation of labour turnover rates in organizations.
3. develop skills in preparing payroll and pay slip.
4. acquire skills in making journal entries from payroll and posting to ledger.

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION
UNIT 1 LABOUR ACTIVITY	The student will be able to: 5.1.1 identify types of labour activities in organizations.	Types of labour activities. - weeding - cooking - sweeping, etc	Assist students to: discuss types of labour activities undertaken in the school.	List types of labour activities in organizations for costing purposes.
UNIT 2 LABOUR REMUNERATION	5.2.1 differentiate between direct labour cost and indirect labour cost.	Meaning of labor turnover: Direct labour cost is payment made to direct workers Indirect labour cost is payment made to indirect workers	discuss the types of labour cost and group them under direct and indirect labour.	
	5.2.2 identify the various methods of labour remuneration.	Methods of labour remuneration: - Time rate / High day rate system. - Piece rate i.e. straight piece work, differential piece rate and piece rate with guaranteed time rate. - Incentive schemes i.e. premium bonus and overtime premium systems.	discuss the circumstances under which labour remuneration methods are applied, their merits and demerits.	
	5.2.3 outline the advantages and disadvantages of the methods of remuneration.	Advantages and disadvantages of methods of labor remuneration	discuss advantages and disadvantages of methods of labor remuneration. e.g. Time rate – Advantages: 1. Workers do not rush and for that reason wastage of materials is reduced. 2. Quality work is produced. Disadvantages: 1. It needs much supervision 2. There is the problem of fixing the day rate by management.	Calculate labour cost for each method of labour remuneration using formulae given.

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION																																															
UNIT 5 PAYROLL ACCOUNTING	<p>The student will be able to:</p> <p>5.5.1 differentiate between payroll and pay slip.</p> <p>5.5.2 identify items in the payroll and pay slip.</p> <p>5.5.3 prepare payroll from given data.</p> <p>5.5.4 prepare journal from payroll and post to the ledger.</p>	<p>Meaning of payroll and pay slip.</p> <p>Payroll is the wages sheet prepared to analyze payments made to all workers within an organization for a particular month or period.</p> <p>Preparation of wages analysis sheet</p>	<p><i>Solution:</i> Formula: Labour turnover = $\frac{\text{No. of employees replaced per period} \times 100}{\text{Average No. of employees in the period}}$</p> <p>= $\frac{(24 + 28) \div 2 \times 100}{(82 + 78) \div 2} = \frac{26 \times 100}{80} = \mathbf{32.5\%}$</p> <p>Assist students to discuss the meaning of payroll and pay slip.</p> <p>Payroll and pay slip</p> <ul style="list-style-type: none"> - basic pay - allowances - taxable pay - PAYE deduction - SSF deduction - Non-statutory deductions - Net pay. <p>Discuss the various components of payroll and pay slip with students and guide them to prepare wages analysis sheet using excel on computer.</p> <p>Comprehensive payroll format:</p> <p style="text-align: center;">Payroll</p> <table border="1" data-bbox="974 948 1768 1101"> <thead> <tr> <th rowspan="2">NAME OF EMPLOYEES</th> <th colspan="3">BASIC PAY</th> <th rowspan="2">OVERTIME/ BONUS</th> <th rowspan="2">GROSS PAY</th> <th rowspan="2">SSF</th> <th colspan="3">ALL TAXABLE ALLOWANCES</th> <th rowspan="2">PAY</th> <th rowspan="2">TAX</th> </tr> <tr> <th>HRS</th> <th>RATE</th> <th>TOTAL</th> <th></th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td></td> <td>XX</td> <td>XX</td> <td>XX</td> <td>(add)</td> <td>xx</td> <td>(less)</td> <td>(add)</td> <td></td> <td></td> <td>xx</td> <td>(less)</td> </tr> </tbody> </table> <p>(CONT'D)</p> <table border="1" data-bbox="974 1123 1768 1263"> <thead> <tr> <th rowspan="2">INCOME AFTER TAX</th> <th rowspan="2">ALL NON-TAXABLE ALLOWANCES</th> <th colspan="3">OTHER DEDUCTIONS</th> <th rowspan="2">TOTAL DEDUCTIONS</th> <th rowspan="2">NET PAY</th> </tr> <tr> <th>HEALTH INSURANCE</th> <th>PROVIDENT FUND</th> <th>etc</th> </tr> </thead> <tbody> <tr> <td>xx</td> <td>(add)</td> <td>(less)</td> <td></td> <td>XX</td> <td>xx</td> <td>xx</td> </tr> </tbody> </table> <p>Note: 1. Discuss the effects of fraud and ghost names on employees, organization and the nation as a whole. 2. SSF by law is calculated on basic pay.</p> <p>Assist students to journalize entries made in the payroll</p>	NAME OF EMPLOYEES	BASIC PAY			OVERTIME/ BONUS	GROSS PAY	SSF	ALL TAXABLE ALLOWANCES			PAY	TAX	HRS	RATE	TOTAL					XX	XX	XX	(add)	xx	(less)	(add)			xx	(less)	INCOME AFTER TAX	ALL NON-TAXABLE ALLOWANCES	OTHER DEDUCTIONS			TOTAL DEDUCTIONS	NET PAY	HEALTH INSURANCE	PROVIDENT FUND	etc	xx	(add)	(less)		XX	xx	xx	<p>Prepare payroll from a given data.</p>
NAME OF EMPLOYEES	BASIC PAY				OVERTIME/ BONUS	GROSS PAY	SSF				ALL TAXABLE ALLOWANCES					PAY	TAX																																		
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SENIOR HIGH SCHOOL - YEAR 2 - TERM 1

SECTION 1 ACCOUNTING FOR OVERHEADS

General objectives: The student will:

1. appreciate the need to analyze and distribute overheads to production and service cost centres.
2. acquire knowledge on how to absorb overheads into production units.

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION										
UNIT 1 ANALYSIS OF OVERHEADS	The student will be able to: 1.1.1 explain overheads. 1.1.2 explain types of overheads. 1.1.3 identify the appropriate basis used to apportion overheads fairly to cost centres. 1.1.4 allocate overheads to production and service cost centres. 1.1.5 apportion overheads to production and service cost centres.	Meaning of overheads: Overheads are the sum total of indirect material cost, indirect wage and indirect expenses. Types of overheads: - factory overheads - administration overheads - selling overheads - distribution overheads - financial overheads Basis of overhead apportionment. - area/floor space - no. of employees - horse power of machines Allocate whole overheads to cost centers. - Primary distribution Apportioning of overheads to production and service centres	Group students into departments and ask them to list types of overheads that relate to their departments. Discuss their answers in class. Assist students to discuss the common basis of apportionment. E.g. <table style="width: 100%; border: none;"> <tr> <td style="text-align: left;"><u>Overhead</u></td> <td style="text-align: left;"><u>Basis</u></td> </tr> <tr> <td>Rent</td> <td>- Area/Floor space</td> </tr> <tr> <td>Canteen</td> <td>- No. of employees</td> </tr> <tr> <td>Electricity</td> <td>- Area/Metre reading</td> </tr> <tr> <td>Stores</td> <td>- No. of requisitions</td> </tr> </table> Assist students to discuss how to allocate overheads to production and service cost centres	<u>Overhead</u>	<u>Basis</u>	Rent	- Area/Floor space	Canteen	- No. of employees	Electricity	- Area/Metre reading	Stores	- No. of requisitions	Prepare overhead analysis sheet from given data. Mention some overheads and ask students to write down their bases.
<u>Overhead</u>	<u>Basis</u>													
Rent	- Area/Floor space													
Canteen	- No. of employees													
Electricity	- Area/Metre reading													
Stores	- No. of requisitions													

SENIOR HIGH SCHOOL - YEAR 2 - TERM 1

SECTION 2

ACTIVITY BASED COSTING

General objective: The student will:

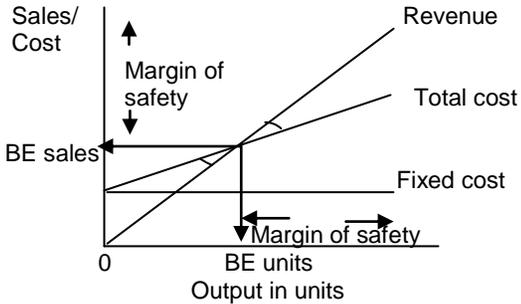
1. acquire knowledge in the use of activity based costing in computing product cost.

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION
UNIT 1 ACTIVITY BASED COSTING	<p>The student will be able to</p> <p>2.1.1 explain Activity Based Costing (ABC)</p> <p>2.1.2 describe the limitations of the Traditional Product Costing system.(TPC)</p> <p>2.1.3 outline the steps in the ABC System.</p> <p>2.1.4 describe the differences between ABC and the TPC system.</p> <p>2.1.5 compute product/service costs using an activity based system.</p>	<p>Meaning of Activity Based Costing (ABC)</p> <p>The ABC system simply recognizes that businesses must understand the factors that drive each major activity, the cost of activities and how activities relate to the products.</p> <p>Limitations of the Traditional Product costing system:</p> <ul style="list-style-type: none"> - Very few bases are used to absorb overheads - Cost of products arrived at may not be realistic. etc. <p>Steps in the ABC system:</p> <ul style="list-style-type: none"> - Identifying the major activities that take place in an organization. - Creating a cost pool/cost centres for each activity. - Determining the cost drive for each major activity. - Assigning the cost of activities to products according to the products demand for activities. <p>Differences between ABC and TPC systems</p> <p>Computation of product/service costs using an ABC system.</p>	<p>Assist students to:</p> <p>discuss Activity Based Costing.</p> <p>discuss the limitations of the Traditional Product Costing system.</p> <p>discuss the steps in developing Activity Based Costing system.</p> <p>discuss the differences between the Activity Based Costing system and the Traditional Product Costing system.</p> <p>compute product/service cost using ABC system</p>	<p>Students to outline four limitations of TPC system.</p> <p>List the steps in developing ABC system.</p>

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION
UNIT 2 CONTRACT COSTING	<p>The student will be able to:</p> <p>3.2.1 explain the term "Contract Costing".</p> <p>3.2.2 explain conditions under which contract costing apply</p> <p>3.2.3 state the characteristics of Contract costing.</p> <p>3.2.4 explain the terms associated with Contract costing</p> <p>3.2.5 prepare Contract account.</p> <p>3.2.6 determine contract revenue, contract cost of sales and profit/loss on contract.</p> <p>3.2.7 prepare contractee's account.</p>	<p>Meaning of contract costing; that form of order costing which applies where work is undertaken to customers requirements and each order is of long duration.</p> <p>Contract costing is applied under conditions where the job takes a longer time to complete.</p> <p>Characteristics of Contract costing -job is of a relatively longer period -usually undertaking outside the company's premises</p> <p>Terms used in contract costing e.g.; material, retention, stage of completion, contract revenue, contract cost of sale, recognized profit, value of work certified, progress billings, progress payment and work in progress.</p> <ul style="list-style-type: none"> - preparation of Contract Account and Contractee's Account - Determination of relevant income statement entries (Contract Revenue, Contract Cost of Sale, Recognized Profit) <p>Contractee's Account</p> <ul style="list-style-type: none"> - Determination of relevant Balance Sheet Extracts (Work in Progress, Receivable from contractee, Closing Inventories, Accruals and Prepayments. 	<p>Assist students to:</p> <p>visit a construction site and observe the nature of constructional activities.</p> <p>discuss the circumstances under which contract is applied.</p> <p>discuss the characteristics of contract costing.</p> <p>discuss the meaning of the terms listed under content.</p> <p>prepare contract accounts.</p> <p>determine contract revenue, contract cost of sales and profit/loss on contract.</p> <p>prepare contractee's account</p>	<p>Write report on their visit</p> <p>Work exercises from given data.</p> <p>Students prepare contract account from given information.</p> <p>Students work exercise from given data</p>

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION
UNIT 3 SERVICE COSTING	<p>The student will be able to:</p> <p>3.3.1 explain the term "Service Costing"</p> <p>3.3.2 identify organizations where service costing would be appropriate.</p> <p>3.3.3 identify the objectives of service costing as applied to a particular organization.</p> <p>3.3.4 determine the standardized unit of measurement.</p> <p>3.3.5 ascertain the cost per unit for service rendered.</p>	<p>Meaning of service costing; a form of operating costing where standardised services are provided.</p> <p>Organizations where service costing will be appropriate. e.g. Hospitals, Transport, Catering, Educational institutions.</p> <p>Objectives of service costing. -determine cost per unit of service, -help fix prices for services.</p> <p>Determination of standardized unit of measurement.</p> <p>Ascertainment of cost per unit of service rendered where: - one rate is involved - more than one rate are involved.</p>	<p>Assist students to:</p> <p>discuss the meaning of service costing.</p> <p>visit some service organizations within the locality to observe the costing of services.</p> <p>discuss objectives of service costing.</p> <p>determine standardized unit of measurement.</p> <p>demonstrate the computation of service costs using data from various service organizations.</p>	<p>Present reports on observation.</p> <p>State four objectives and of service costing.</p> <p>Work exercises from given data.</p>
UNIT 4 PROCESS COSTING	<p>3.4.1 explain process costing.</p> <p>3.4.2 identify characteristics of Process Costing</p>	<p>Meaning of process costing : that form of operating costing which applies where standardized goods are produced.</p> <p>Characteristics of process costing. -materials go through several stages of processing. -goods produced are identical. -output of one process becomes input for the next process.</p>	<p>discuss the meaning of process costing.</p> <p>discuss the characteristics of process costing</p> <p>Note: Embark on educational visits to an entity in the locality that uses process costing.</p>	<p>Present report on observation.</p>

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION																																																																																
UNIT 4 (CONT'D) PROCESS COSTING	<p>The student will be able to:</p> <p>3.4.3 explain the purposes of process costing</p> <p>3.4.4 state the circumstances under which process costing is applied.</p> <p>3.4.5 explain the terms associated with process costing.</p> <p>3.4.6 calculate equivalent of completed units and work-in-progress from given data using FIFO and weighted average</p> <p>3.4.7 prepare statement of production cost and valuation from given information.</p> <p>3.4.8 determine normal and abnormal loss, scrap, wastage and abnormal gain.</p> <p>3.4.9 prepare process, abnormal loss, abnormal gain and scrap sale accounts.</p>	<p>Purposes of process costing: -to determine the average cost of production at the end of every stage. -to calculate the cost of production.</p> <p>Circumstances under which process costing is applicable. -where the products are identical. -where different stages are involved.</p> <p>Meaning of terms:</p> <ul style="list-style-type: none"> • Joint products • by - products • scrap • waste • normal loss • abnormal loss • abnormal gain • equivalent units. <p>Calculation of equivalent units</p> <p>Preparation of statement of production cost and valuation at the end of each process.</p> <p>Determination of normal loss, abnormal loss, scrap, wastage and abnormal gain.</p> <p>Preparation of process accounts, abnormal loss account, abnormal gain account and scrap sale account.</p>	<p>Guide students to:</p> <p>explain the concept of process costing.</p> <p>identify some manufacturing firms that use process costing e.g. breweries, bottling companies, oil refining companies, etc.</p> <p>calculate equivalent units of WIP from given data.</p> <p>prepare statement of production cost and valuation using given data.</p> <p>determine normal and abnormal loss, scrap, wastage and abnormal gain from given data. e.g.</p> <p style="text-align: center;">Process Account</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>Details</th> <th>Qty</th> <th>Unit/ Cost</th> <th>Amt</th> <th>Date</th> <th>Details</th> <th>Qty</th> <th>Unit/ Cost</th> <th>Amt</th> </tr> </thead> <tbody> <tr> <td></td> <td>Material</td> <td>xx</td> <td>xx</td> <td>xx</td> <td></td> <td>Normal loss</td> <td>xx</td> <td>xx</td> <td>xx</td> </tr> <tr> <td></td> <td>Labour</td> <td>xx</td> <td>xx</td> <td>xx</td> <td></td> <td>Abnormal loss</td> <td>xx</td> <td>xx</td> <td>xx</td> </tr> <tr> <td></td> <td>Expenses</td> <td>xx</td> <td>xx</td> <td>xx</td> <td></td> <td>Transfer to next process</td> <td>xx</td> <td>xx</td> <td>xx</td> </tr> <tr> <td></td> <td>Overheads</td> <td>xx</td> <td>xx</td> <td>xx</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>Abnormal gain</td> <td>xx</td> <td>xx</td> <td>xx</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td>xxx</td> <td>xxx</td> <td>xxx</td> <td></td> <td></td> <td>xxx</td> <td>xxx</td> <td>xxx</td> </tr> <tr> <td></td> <td></td> <td>==</td> <td>==</td> <td>==</td> <td></td> <td></td> <td>==</td> <td>==</td> <td>==</td> </tr> </tbody> </table>	Date	Details	Qty	Unit/ Cost	Amt	Date	Details	Qty	Unit/ Cost	Amt		Material	xx	xx	xx		Normal loss	xx	xx	xx		Labour	xx	xx	xx		Abnormal loss	xx	xx	xx		Expenses	xx	xx	xx		Transfer to next process	xx	xx	xx		Overheads	xx	xx	xx							Abnormal gain	xx	xx	xx								xxx	xxx	xxx			xxx	xxx	xxx			==	==	==			==	==	==	<p>Work exercises from given data.</p>
Date	Details	Qty	Unit/ Cost	Amt	Date	Details	Qty	Unit/ Cost	Amt																																																																											
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UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION
<p>UNIT 2 (CONT'D)</p> <p>BREAK EVEN ANALYSIS</p>	<p>The student will be able to:</p> <p>4.2.3 list the assumptions and limitations of break-even analysis.</p> <p>4.2.4 determine break-even point in units and values.</p> <p>4.2.5 Segregate fixed cost and variable cost from mixed cost.</p>	<p>Assumptions and limitations of break-even analysis.</p> <ul style="list-style-type: none"> -all production is sold. -cost can be separated into fixed and variable components. -etc <p>Limitations of Break Even analysis</p> <ul style="list-style-type: none"> -all production may not be sold -all cost may not be separable into fixed or variable cost. 	<p>Assist students to:</p> <p>discuss the assumptions and limitations underlying break-even analysis.</p> <p>discuss how break-even point is determined and computed in units and value.</p> <p>mention methods of segregating mixed cost and guide students to determine fixed and variable costs using only High and Low method.</p>	<p>Mention five assumptions and five limitations of breakeven analysis.</p>
<p>UNIT 3</p> <p>BREAK EVEN CHART</p>	<p>4.3.1 use graphical presentation to determine break-even point.</p> <p>4.3.2 Interpret break-even charts.</p> <p>4.3.3. explain and calculate the contribution/sales ratio and demonstrate its use in calculating sales, profit and break-even point.</p>	<ul style="list-style-type: none"> - Graphical presentation of break-even points (traditional and contribution charts) - Interpretation of break-even charts with particular reference to margin of safety, angle of incidence, break-even point, total cost line, fixed costs line and variable cost line, contribution and profit zones. <p>Computation of C/S ratio and how it used to calculate the breakeven point.</p>	<p>draw and interpret the traditional and contribution break-even charts.</p> <p>E.g. Traditional or Conventional break-even chart</p>  <p>calculate C/S ratio.</p>	<p>Prepare break-even charts indicating total revenue, total cost, fixed cost, variable cost, margin of safety, angle of incidence, etc.</p>

SENIOR HIGH SCHOOL - YEAR 3 - TERM 1

SECTION 1

COSTING TECHNIQUES FOR CONTROL AND DECISION MAKING (2)

General objectives: The student will:

1. appreciate the role of budgeting and budgetary control in controlling expenditure.
2. understand the relationship between functional budgets and master budget
3. be predisposed to the meaning and the role of Standard Costing in decision making.

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION
UNIT 1 BUDGETING AND BUDGETARY CONTROL	The student will be able to: 1.1.1 explain the concept of “Budgeting” and “Budgetary Control”. 1.1.2 outline budgeting procedures. 1.1.3 outline the importance/advantages of budgeting as a tool for controlling business activities. 1.1.4 explain the disadvantages of budgeting and budgetary control.	Explanation of Budgetary Control. – preparation of budgets and comparison of budget to actual for corrective action. Procedure for preparing budget. Identifying objectives, Forecasting, budget period, determining principal budget factor, coordination, etc. Importance of budgeting and budgetary control. -defining responsibilities -evaluating performance Disadvantages of budgeting and budgetary control in business. <ul style="list-style-type: none"> • expensive to install and operate • requires expertise to operate 	Guide students to: differentiate budgeting from budgetary control. discuss procedure for the preparation of a budget. discuss the importance of budgeting and budgetary control. discuss disadvantages of budget and budgetary control in business.	Work exercises to demonstrate their understanding.
UNIT 2 FUNCTIONAL BUDGETS	1.2.1 prepare functional budgets	Functional budgets <ul style="list-style-type: none"> • Sales budget • Production budget • Material usage budget • Material purchase budget • Expense budget • Capital expenditure budget • Cash budget. 	prepare functional budgets from given data. uses excel on computer where available.	Prepare functional budgets from given data. E.g. - cash Budget - sales budget, etc.

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION
<p>UNIT 2 (CONT'D)</p> <p>FUNCTIONAL BUDGETS</p>	<p>The student will be able to:</p> <p>1.2.2 explain the relationship between functional budgets and master budget.</p> <p>1.2.3 explain the concept of principal budget factor/key factor/ limiting factor in budget preparation.</p> <p>1.2.4 explain the process of budget administration.</p>	<p>-functional budgets feed into the master budget</p> <p>Principal budget factor and its impact on budget preparation. -principal budget factor limits the total scope of operations</p> <p>Budget administration:</p> <ul style="list-style-type: none"> • Budget committee • Budget officer • Budget manual • Budget implementation • Budget reporting • Budget review 	<p>Assist students to:</p> <p>explain how functional budgets feed into the master budget</p> <p>discuss the concept of principal budget factor in budget preparation.</p> <p>discuss the process of budget administration.</p>	<p>Prepare master budget from given data.</p>
<p>UNIT 3</p> <p>STANDARD COSTING</p>	<p>1.3.1 explain standard cost and standard costing</p> <p>1.3.2 distinguish between standard cost and budgeted cost.</p> <p>1.3.3 list and explain different types of standards.</p>	<p>Meaning of standard cost and standard costing. -standard cost is a predetermined cost -standard costing is the establishment of standards and comparison with actual for corrective action.</p> <p>Differences between standard cost and budgeted cost.</p> <p>Standard cost is predetermined cost for a unit of product while budgeted cost is a planned cost for a whole activity.</p> <p>Different types of standards</p> <ul style="list-style-type: none"> • Expected/Attainable standards • Ideal standards • Basic standards • Current standards. 	<p>discuss the meaning of standard costing and differentiate it from standard cost.</p> <p>brainstorm to come out with differences between standard cost and budgeted cost.</p> <p>discuss the different types of standards in groups and present reports in class.</p>	

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION
UNIT 3 (CONT'D) STANDARD COSTING	<p>The student will be able to:</p> <p>1.3.4 explain purposes of standard costing.</p> <p>1.3.5 explain the advantages of standard costing.</p> <p>1.3.6 discuss the disadvantages of standard costing.</p> <p>1.3.7 explain reasons why actual cost may differ from standard cost resulting into variances.</p> <p>1.3.8 outline the importance of variance analysis.</p> <p>1.3.9 compute direct material cost Variance, direct labour cost variance and overhead cost variance from given data.</p>	<p>Purposes of standard costing:</p> <ul style="list-style-type: none"> • to set standards • to fix selling prices • etc. <p>Advantages of standard costing:</p> <ul style="list-style-type: none"> • helps to maintain the correct economic order quantity. • deviations are revealed for correction. • etc. <p>Disadvantages of standard costing:</p> <ul style="list-style-type: none"> • expensive to install. • change in conditions may change • standards. <p>Reasons why variances may occur.</p> <ul style="list-style-type: none"> • effective equipment used in production • changes in prices of materials • etc. <p>Importance of variance analysis as a management control tool.</p> <p>Computation of simple variances involving:</p> <p>i. Direct Material Cost Variance analyzed into Price Variance and Usage Variance.</p> <p>ii. Direct Labour Cost Variance analyzed into Rate Variance and Efficiency Variance.</p> <p>iii. Overhead Cost Variance analyzed into Fixed Overhead Variance and Variable Overhead Variance.</p>	<p>Assist students to:</p> <p>discuss the purposes of standard costing.</p> <p>discuss the advantages of standard costing.</p> <p>brainstorm to come out with the disadvantages of standard costing.</p> <p>discuss reasons why actual results may differ from standards set.</p> <p>list importance of variance analysis.</p> <p>set standard cost for a chosen business activity, record actual cost, compute variances, analyze the resultant variances and brainstorm on how to prevent recurrence of adverse variances.</p> <p>analyze overhead variances into fixed and variable.</p>	<p>Write an essay on advantages on standard costing.</p> <p>Calculate variances from given business information.</p>

SENIOR HIGH SCHOOL - YEAR 3 - TERM 2

SECTION 2

COST BOOK KEEPING

General objectives: The student will:

1. be able to prepare cost ledger accounts and extract a trial balance.
2. understand why cost accounting profits may differ from financial accounting profits.
3. understand the concept of reconciliation.

UNIT	SPECIFIC OBJECTIVES	CONTENT	TEACHING AND LEARNING ACTIVITIES	EVALUATION
UNIT 1 COST ACCOUNTS (INTERLOCKING)	The student will be able to: 2.1.1 describe various cost ledger control accounts kept in the costing books and their relationship with ledgers in the financial books. 2.1.2 prepare the various cost ledger accounts from given data. 2.2.1 explain the principle of interlocking accounts and the need for reconciliation of cost accounts and financial accounts.	Cost ledger control accounts and their relationship with those in financial books: -Cost ledger -Stores ledger -Work-in-progress ledger -Finished goods ledger -Overheads ledger Preparation of cost ledger accounts. Explanation of interlocking (non-integrated) accounting method.	Assist learners to: list and describe the various cost ledger control accounts discuss the relationship between cost ledger accounts and accounts in the financial books. prepare cost ledger control accounts. explain the principles of inter locking accounts.	List and describe the various cost ledger control accounts. Prepare cost ledger control accounts from given data.
UNIT 2 RECONCILIATION OF COST AND FINANCIAL PROFITS	2.2.2 prepare a statement to reconcile cost accounting profit and financial accounting profit.	Reconciliation of cost accounts profit and financial accounts profit.	discuss the need to reconcile cost accounts and financial accounts. reconcile cost accounting profit and financial accounting profit. explain some of the reconciling items, e.g. depreciation, interest on loan/ investment, notional rent, under/over absorption, etc.	Solve questions involving reconciliation of costing profit and financial profit.

UNIT	PECIFIC OBJECTIVES	CONTENT	EACHING AND LEARNING ACTIVITIES	EVALUATION
UNIT 3 COST ACCOUNTS (INTEGRATED METHOD)	<p>The student will be able to:</p> <p>2.3.1 explain the concept of integrated accounts.</p> <p>2.3.2 prepare ledger accounts and income statement using the integrated accounts method.</p>	<p>Explanation of integrated accounting method.</p> <p>A single accounting system where both financial and cost accounts are maintained as one set of books.</p> <p>Preparation of ledger accounts and income statement using integrated accounting approach.</p>	<p>Guide students to:</p> <p>explain integrated accounting method (highlighting how it differs from interlocking method.)</p> <p>prepare ledger accounts from given data using the integrated accounting system.</p>	<p>Solve questions involving preparation of ledger accounts and income statement using the integrated approach.</p>