

Basic information about the subject (independent of the cycle)

Module name	Cost accounting
Erasmus code	
ISCED code	
Language of instruction	English
Website	
Prerequisites	Accountancy
ECTS points hour equivalents	<p>Contact hours (work with an academic teacher): 15 Total number of hours with an academic teacher: 15 Number of ECTS points with an academic teacher: 2 Non-contact hours (students' own work): Total number of non-contact hours: Number of ECTS points for non-contact hours: 1 Total number of ECTS points for the module: 3</p>
Educational outcomes verification methods	Application newly acquired knowledge in practice – individual case study preparation
Description	<p>The module covers the knowledge in the area of finance: exactly cost and decision making.</p> <p>This course examines the concepts and procedures underlying the development of a cost accounting system for managerial decisions, control, and performance reporting. Topics include cost measurement and cost control; activity-based costing; tools for planning and control; management control systems; inventory costing, cost information for decision making; relevant information; pricing decisions; cost management; measurement and control of overhead costs. An important aspects of this course will be to bridge theory with practice in the contest of real world implications.</p>
Reading list	<ol style="list-style-type: none"> 1. C. Drury, <i>Management and Cost Accounting</i>, 8th ed., Publisher: Cengage Learning EMEA, 2014. 2. Charles T. Horngren, Srikant M. Datar and Madhav Rajan, <i>Cost Accounting: A Managerial Emphasis</i>, 14th ed. Prentice Hall, 2012.
Educational outcomes	<p>KNOWLEDGE: W06 - has in-depth knowledge of selected methods for cost estimation and of financial statements. W08 - has in-depth knowledge of the traditional cost system and modern cost system.</p> <p>SKILLS: U06 - has the ability to use the acquired knowledge in different ranges and forms extended a critical analysis of financial phenomenon (knows: how to establish financial result, calculate unit cost of product using</p>

	<p>property methods of cost calculation, design activity based costing and other costs accounting).</p> <p>U07 - has the ability to independently proposed solutions to a particular problem and carry out procedures to take decisions in this regard.</p> <p>ATTITUDES:</p> <p>K02 - able to interact and work in a group, accepting the different roles.</p> <p>K05 – knows how to participate in the preparation of social projects and can provide multi-social impact of its activities.</p> <p>K06 – can independently and critically complement the knowledge and skills extended to interdisciplinary dimension.</p>
Practice	<p>Description:</p> <ol style="list-style-type: none"> 1. Introduction. Cost Classifications (Financial accounting -Management accounting -Cost accounting. Differences between expense, cost, payment and investment. Classifications of costs: by nature, by function, direct and indirect costs, product and period costs, variable and fixed costs, opportunity costs, historic and current /standard/ replacement costs, other types of costs) 2. Costing Methods I: Partial Costing. (Costing methods. Direct costing. Other partial costing methods: Evolved direct costing, Variable costing, and evolved variable costing. Job costing system: Job cost card. Treatment of costs in a job costing system: direct costs, indirect manufacturing costs, assignment of other indirect costs. Calculation of the results (profits or losses) generated by unfinished contracts. 3. Costing Methods II: Full costing (Partial costing and full costing. Process costing. Full costing by departments: Divide the company into departments. Operating and support departments. Allocation of indirect costs to operating and support departments. Assignment of costs allocated to support departments to operating departments. Support departments with reciprocal services, indirect- cost rate and equivalent units, cost per unit of product. Cost structure. Problems of cost calculation: sub-activity costs (underallocated indirect costs), over-activity benefits (overallocated indirect costs), valuation of scrap, waste and by-products. Valuation of work in progress. 4. Costing Methods III: Activity Based Costing (ABC) (Changes in the business context and their impact on the accounting systems. Description of the ABC model. Activities: concept, main activities, support activities. Cost drivers. Advantages and disadvantages of ABC. Other accounts of costs. 5. Establishing financial results.

	<p>Ad. 1. After studying this topic, students should be able to:</p> <ul style="list-style-type: none"> • differentiate between financial accounting, management accounting and cost accounting. • describe the objectives of management accounting and cost accounting. • distinguish between the concepts of expense, cost, payment and investment. • list the main types of cost: classification by nature, fixed and variable costs, direct and indirect costs, product and period costs, opportunity costs, classification by functional areas and other classifications. <p>Ad. 2. After studying this topic, students should be able to:</p> <ul style="list-style-type: none"> • calculate the costs using one of the partial costing approaches: direct costing, variable costing, evolved direct costing and evolved variable costing. • understand the differences between companies producing only one product and companies producing several products. • calculate the profit and loss using a partial costing method. • distinguish between job costing and process costing. • know how to treat direct and indirect costs in a job costing system. • calculate the results (profits or losses) generated by unfinished contracts. <p>Ad. 3. After studying this topic, students should be able to:</p> <ul style="list-style-type: none"> • differentiate between partial costing systems and full costing systems. • account for overhead expenditure. • assign indirect costs (overheads) to operating (production) and support (service) departments. • identify how to charge indirect costs (overheads) to products: indirect-cost rate (overhead rate). • explain how to treat under-or overallocated indirect costs and how they affect the profit or loss. • account for scrap, waste and by products. • describe how to treat work in progress (WIP) in accounting <p>Ad. 4. After studying this topic, students should be able to:</p> <ul style="list-style-type: none"> • be aware of the changes happening in the business context and the impact of those changes on the
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	<p>cost and management accounting systems.</p> <ul style="list-style-type: none"> • describe the conceptual framework of activity based costing (ABC). • identify the activities and cost drivers. • explain the differences, advantages and disadvantages of ABC in relation to traditional costing systems. <p>Ad. 5. After studying this topic, students should be able to establish financial results and analyze categories of financial statements.</p>
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Information about classes in the cycle

Website	
Educational outcomes verification methods	Application newly acquired knowledge in practice – individual case study preparation
Comments	N/A
Reading list	<ol style="list-style-type: none"> 1. C. Drury, <i>Management and Cost Accounting</i>, 8th ed., Publisher: Cengage Learning EMEA, 2014. 2. Charles T. Horngren, Srikant M. Datar and Madhav Rajan, <i>Cost Accounting: A Managerial Emphasis</i>, 14th ed. Prentice Hall, 2012.
Educational outcomes	<p>KNOWLEDGE:</p> <p>W06 - has in-depth knowledge of selected methods for cost estimation and of financial statements.</p> <p>W08 - has in-depth knowledge of the traditional cost system and modern cost system.</p> <p>SKILLS:</p> <p>U06 - has the ability to use the acquired knowledge in different ranges and forms extended a critical analysis of financial phenomenon.</p> <p>U07 - has the ability to independently proposed solutions to a particular problem and carry out procedures to take decisions in this regard.</p> <p>ATTITUDES:</p> <p>K02 - able to interact and work in a group, accepting the different roles</p> <p>K05 – knows how to participate in the preparation of social projects and can provide multi-social impact of its activities</p> <p>K06 – can independently and critically complement the knowledge and skills extended to interdisciplinary dimension</p>
A list of topics	<ol style="list-style-type: none"> 1. Introduction. Cost Classifications (Financial accounting -Management accounting -Cost accounting. Differences between expense, cost,

	<p>payment and investment. Classifications of costs: by nature, by function, direct and indirect costs, product and period costs, variable and fixed costs, opportunity costs, historic and current /standard/ replacement costs, other types of costs)</p> <ol style="list-style-type: none"> 2. Costing Methods I: Partial Costing. (Costing methods. Direct costing. Other partial costing methods: Evolved direct costing, Variable costing, and evolved variable costing. Job costing system: Job cost card. Treatment of costs in a job costing system: direct costs, indirect manufacturing costs, assignment of other indirect costs. Calculation of the results (profits or losses) generated by unfinished contracts. 3. Costing Methods II: Full costing (Partial costing and full costing. Process costing. Full costing by departments: Divide the company into departments. Operating and support departments. Allocation of indirect costs to operating and support departments. Assignment of costs allocated to support departments to operating departments. Support departments with reciprocal services, indirect- cost rate and equivalent units, cost per unit of product. Cost structure. Problems of cost calculation: sub-activity costs (underallocated indirect costs), over-activity benefits (overallocated indirect costs), valuation of scrap, waste and by-products. Valuation of work in progress. 4. Costing Methods III: Activity Based Costing (ABC) (Changes in the business context and their impact on the accounting systems. Description of the ABC model. Activities: concept, main activities, support activities. Cost drivers. Advantages and disadvantages of ABC. Other accounts of costs. 5. Establishing financial results.
Teaching methods	Informative lecture, case study analysis
Assessment methods	<p>Attendance (75%), individual study preparation</p> <p>The final note is the result of the weighted average of attendance (30%) and assessment of individual project (70%)</p>