

**Cost Accounting**

Code: 105767  
ECTS Credits: 6

Degree	Type	Year	Semester
2501231 Accounting and Finances	OB	3	1

**Contact**

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**Use of Languages**

Principal working language: catalan (cat)  
Some groups entirely in English: No  
Some groups entirely in Catalan: Yes  
Some groups entirely in Spanish: No

**Prerequisites**

It is recommended to having studied "Basic Accounting".

**Objectives and Contextualisation**

**Context**

It is contextualized within the subject of Financial Control together with Management Accountig, which is taught in the second term of the third year of the Degree in Accounting and Finance.

**Goals**

- Provide the necessary skills that allow students to identify and understand the economic and financial context of cost accounting and become more familiar with its terminology and applications.
- Understand the relationship between the Basic Accounting (external) and Cost Accounting (internal).
- Achieving the student to discover and learn the relationship between costs, level of activity and the benefit of a company.
- Understand the concept of cost and its relationship with expenses, and the classification of costs.
- To introduce students to indirect costs problems and to the main methods of his allocation.
- Know and apply the cost accumulation systems used to assess the cost of a product or service and develop analytical results.

**Competences**

- Analysing, summarising and assessing information.
- Demonstrating a comprehension of the different legal, control and solvency standards issued by regulatory bodies affecting the several analysed accounting or financial processes.
- Efficiently searching information, discriminating irrelevant information.
- Organising the work, regarding order and planning.
- Students must be able to adapt to changing environments.

**Learning Outcomes**

1. Analysing, designing and introducing the budget of a company and assessing its implementation.
2. Analysing, summarising and assessing information.
3. Describing the solvency regulations and guarantees of the activity of various financial intermediary activities.
4. Determining the economic-financial situation of a company.
5. Efficiently searching information, discriminating irrelevant information.
6. Organising the work, regarding order and planning.
7. Prepare financial statements and reports for accounting, fiscal, financial and organizational purposes.
8. Producing technical accounting reports for the company managers, to help them take decisions related to management.
9. Reasoning and giving your opinion about the information provided by the financial statements.
10. Students must be able to adapt to changing environments.
11. Use the different criteria for registration and valuation established in the accounting rules.

## **Content**

### Contents

#### Topic 1. Cost Accounting

1. Differences between External Accounting (Financial) and internal accounting (Cost/Management).
2. Connections between both types of Accounting. Transfer of information between internal and external scope.
3. Accounting Triangular structure (relative to other accountings).
4. The Accounting Standardisation.

#### Topic 2. Concept Cost. Ranking

1. Cost concept.
2. Relationship between costs and expenses.
3. Internal results. The Basic Accounting Scheme.
4. Classification of costs.
5. Costing in different productive sectors.

#### Topic 3. Costs for Nature

1. The cost of materials.
2. The cost of labour.
3. Other indirect costs.
4. Financial costs.

#### Topic 4. Cost Allocation Systems

1. Direct Cost.
2. Industrial Full Cost.
3. Total Full Cost
4. Rational Allocation.

#### Topic 5. Homogeneous Cost Pool

1. Concept and characteristics of homogeneous departments.
2. Classification of departments.
3. Statistic costs.
4. The distribution key. Work units.
5. Statistics Costs Settlement.
6. The method of equivalences.

#### Topic 6. Activity Based Costing

1. Definition and classification of the activities.
2. Process and allocation of costs to activities and products.

#### Topic 7. Assessment of Products and Services (I). Process-costing system

1. The production flow graph.
2. Accumulation of costs to products.
3. Table of Distribution.
4. Table Matrix.
5. The unit cost structure.

#### Topic 8. Evaluation of Products and Services (II). Process-costing system

1. The production report. The equivalent production.
2. Initial stock and additional raw material.

#### Topic 9. Job-Order Costing

1. Allocation of costs to orders.
2. Assessment of current orders.
3. The result calculation of the orders.

#### Topic 10. Joint Products

1. Allocation of costs to main products.
2. Methods of allocation of costs to byproducts, waste and scrap.

## Methodology

The teaching methodology is based on a combination of three types of activities:

- Guided activity: theoretical and practical resolution (analysis) of cases.
- Supervised activity: consisting attending tutorials and exercises with a ruled follow-up.
- Individual autonomous activity: students' personal study (study of basic bibliography, readings, research information, etc.).

The proposed teaching methodology may undergo some modifications according to the restrictions imposed by the health authorities on on-campus courses.

Annotation: Within the schedule set by the centre or degree programme, 15 minutes of one class will be reserved for students to evaluate their lecturers and their courses or modules through questionnaires.

## Activities

Title	Hours	ECTS	Learning Outcomes
Type: Directed			
Laboratory Practice	6	0.24	2, 5, 8, 10
Practical case studies	11	0.44	2, 5
Theoretical lessons and discussion	32.5	1.3	4, 7
Type: Supervised			
Case tracking and analysis of problems	5	0.2	6, 10
Tutoring of case studies	10	0.4	6

Type: Autonomous			
Study and research for information	52.5	2.1	2, 6
The development and resolutions of cases	30	1.2	2, 5, 10

## Assessment

### Evaluation

The student assessment will be based on:

1. Team work (25% of the total). The tasks will be leaded by the professor's team. The delivery of these work is necessary to perform the Final Test.
2. Individual work (25% of the total) in the lab. The delivery of these tasks is necessary to perform the Final Test.
3. Final Test, 2-3-4-5-7-8-9-10 to 9 subjects (50% of the total). The grade is computable if you get a score higher than 4 out of 10.

To pass the course the student should get her an aggregate grade not less than 5 out of 10.

### Calendar of evaluation activities

The dates of the evaluation activities (midterm exams, exercises, assignments ...) will be announced well in advance during the semester.

The date of the final exam is scheduled in the assessment calendar of the Faculty.

*"The dates of evaluation activities cannot be modified, unless there is an exceptional and duly justified reason why an evaluation activity cannot be carried out. In this case, the degree coordinator will contact both the teaching staff and the affected student, and a new date will be scheduled within the same academic period to make up for the missed evaluation activity."* **Section 1 of Article 115. Calendar of evaluation activities**

**(Academic Regulations UAB)**. Students of the Faculty of Economics and Business, who in accordance with the previous paragraph need to change an evaluation activity date must process the request by filling out an Application for exams' reschedule at

[https://eformularis.uab.cat/group/deganat\\_feie/application-for-exams-reschedule](https://eformularis.uab.cat/group/deganat_feie/application-for-exams-reschedule)

### Grade revision process

After all grading activities have ended students will be informed of the date and way in which the course grades will be published. Students will be also be informed of the procedure, place, date and time of grade revision following University regulations.

### Retake Process

*"To be eligible to participate in the retake process, it is required for students to have been previously been evaluated for at least two thirds of the total evaluation activities of the subject."* Section 3 of Article 112 ter. The recovery (UAB Academic Regulations). Additionally, it is required that the student to have achieved an average grade of the subject between 3.5 and 4.9.

The date of the retake exam is posted in the calendar of evaluation activities of the Faculty. Students taking this exam and passing will get a grade of 5 for the subject. For the students that do not pass the retake, the grade will remain unchanged, and hence, will fail the course.

### Irregularities in evaluation activities

Despite other disciplinary measures deemed appropriate, and in accordance with current academic regulations, *"whenever a student makes any irregularity that could lead to a significant variation in the grade of an evaluation activity, it will be graded with a 0, regardless of the disciplinary process that can be instructed. In*

case of occurrence of various irregularities in the evaluation of the same subject, the final grade of this subject will be 0". **Section 10 of Article 116. Results of the evaluation. (UAB Academic Regulations).**

The proposed evaluation activities may undergo some changes according to the restrictions imposed by the health authorities on on-campus courses.

## Assessment Activities

Title	Weighting	Hours	ECTS	Learning Outcomes
Final test	50%	3	0.12	1, 2, 5, 3, 4, 7, 11
Laboratory Practice	25%	0	0	2, 5, 8
Working group	25%	0	0	2, 5, 6, 9, 10

## Bibliography

Amat, O. & Soldevila, P. (2010). Accounting and Management Costs. Profit Editorial. Accid Barcelona.

Horngrén, C.T.; Foster, G., Datar, S. (2014). Cost Accounting: A Managerial Approach. Prentice Hall International. (Original English Edition: Horngrén C.T., G Foster, S. Datar Cost Accounting, a Managerial Emphasis. Pearson Education)

Mallo, C. ; Mallo, M.A.; MA Jimenez; Mallo, & J. Merlo, J. (2000). Accounting Costs. Pyramid.

UAB: Material available at the Aula Moodle.

## Software

Excel will be used as a spreadsheet.