



UNIVERSITY OF NICOSIA ΠΑΝΕΠΙΣΤΗΜΙΟ ΛΕΥΚΩΣΙΑΣ

School of Business

Course Code ACCT 312	Course Title ADVANCE COST AND MANAGEMENT ACCOUNTING	ECTS Credits 6
Department Accounting	Semester Fall / Spring	Prerequisites ACCT 211
Type of Course Required/elective	Field Accounting/Business	Language of Instruction English
Level of Course 1 st Cycle	Year of Study 3	Lecturer(s) Dr Melpo Iacovidou
Mode of delivery Face-to-face	Work Placement N/A	Co-requisites None

Objectives of the Course:

The main objectives of the course are to:

- Introduce students to the area of cost and management accounting
- Identify the major differences and similarities between financial and management accounting. Understand the role of management accountant in an organization, and the importance of upholding ethical standards
- Expose students to concepts and techniques that managers and accountants use to produce information for decision making including an Activity-Based Costing (ABC), Standard Costing for planning, Variance Analysis, etc.
- Expose students to methods and techniques needed by managers for performing functions such as costing, cost allocations, preparation of flexible budgets and variance analysis.

Learning Outcomes:

After completion of the course students are expected to be able to:

1. Critically assess the importance and role of cost accounting systems.
2. Demonstrate knowledge of the nature of process costing and the role of spoilage/scrap and rework and apply these concepts in practice
3. Utilize Activity Based Costing and compare this with other costing systems.
4. Critically compare and apply cost and revenue allocation methods
5. Analyze and apply flexible and static budgets and variance analysis
6. Research costing systems

Course Contents:

1. PCAS (Process costing-advance concepts)
Process costing with transferred-in costs using weighed Average costing
Process costing with transferred-in costs using FIFO costing
Hybrid costing
2. Accounting for spoilage, rework and scrap
Types of spoilage
Process costing and spoilage
Inspection point and allocation of cost
Job costing and spoilage-Job costing and rework
Process costing and rework-Accounting for scrap
3. ABC and activity based management
Under/over costing, Product cost cross-subsidization
Simple costing-ABC
Using ABC for improving Cost Management and Profitability
4. Allocation of support dept costs and revenue
Allocating support department costs to operating departments
Single rate and dual rate methods, Budgeted versus actual rates
Allocation based on demand for usage -Allocation based on supply of capacity
5. Cost allocation: Joint and Byproducts
Allocating cost of multiple support departments
Direct method-Step-down method-Reciprocal method
Revenue allocation methods: Stand alone method, Incremental revenue method
6. Flexible and static budgets, direct and indirect costs variances and management control
The use of variances
Static budgets and variances
Flexible budgets and variances
Price and efficiency variances
Management uses of variances

Teaching Methods:

Lectures, Case Study Analysis and Discussion, In-Class Exercises.

Assessment Methods:

Final Examination (1)	50%
Mid-Term (1)	40%
Quizzes/ Homework	10%

Required Textbooks:

Authors	Title	Publisher	Year	ISBN
Horngren, Datar, Rajan	Cost Accounting: A Managerial Emphasis 14 e, International	Pearson	2012	978-0—07- 017044-5

Recommended Reading:

Authors	Title	Publisher	Year	ISBN
Dr. Melpo Iacovidou	Lecture Notes: Teaching and Learning Materials		2013- 2014	