

Cost Management Accounting Abbreviated Course Syllabus

<u>Course Number:</u>	AB209C
<u>Course Name:</u>	Cost Management Accounting
<u>Instructors:</u>	Wang Jiafan Wang Liugen Feng Meixiao Zhu Xiaolin Zhao Qing
<u>Students:</u>	ACCT AY2019
<u>Required Text:</u>	1.COST AND MANAGEMENT ACCOUNTING, Sun Maozhu, Yu Fusheng, Renmin University of China Press, Edition 2018, 3
<u>Course Description:</u>	Cost Management Accounting is the core course of the accounting discipline system. It combines accounting and management directly, and analyses the whole process of enterprise operation activities through the processing of related information. Through the study of this course, students are able to comprehensively and systematically understand the basic knowledge and theory of cost management accounting, master the basic methods of cost accounting, forecasting, decision-making, control and evaluation, and analyse and solve specific problems in operation and management. This will enhance students' awareness of strategic thinking and improve their comprehensive literacy and management level.

Topic Outline:	Hours/Minutes
I. Overview of cost management accounting	2
A. Meaning of cost management accounting: ① The concept of cost ② Meaning of cost management accounting	
B. The emergence and development of cost management accounting	
C. Content and characteristics of cost management accounting	
II. Classification of costs	4
A. Cost classification in the financial accounting system: ① Classification of costs by economic use ② Costs are categorised by business objectives	
B. Cost classification in management accounting systems: ① Costs are categorised by the relationship between cost nature and decision making	
III. Basis of cost accounting	2
A. Principles and requirements for cost accounting	
B. Product costing process	

	① Procedures for product costing	
	② Accounting entries set up for product costing	
IV.	Cost aggregation and allocation	8
A.	Collection and allocation of material costs	
B.	Collection and allocation of labour costs	
C.	Recovery and allocation of depreciation expense	
D.	Collection and allocation of other expenses	
E.	Collection and allocation of auxiliary production costs	
	① Characteristics of accounting for auxiliary production costs	
	② Method of allocation of auxiliary production costs	
	③ Accounting treatment related to the allocation of auxiliary production costs	
F.	Collection and allocation of manufacturing overheads	
	① The concept of manufacturing overheads and what they include	
	② Grouping of manufacturing overheads	
	③ Method of allocating manufacturing costs and related accounting treatment	
G.	Accounting for loss-making expenses	
	① Concepts of scrap, scrap loss, and downtime loss	
	② Elements of accounting for scrap losses	
	③ Calculation of loss of irreparable scrap and related accounting treatment	
	④ Accounting for work stoppage losses	
H.	Allocation of production costs between finished products and work in progress	
	① approximate yield method	
	② Allocation of products in process on the basis of the fixed costing method and the fixed proportionality method	
	③ Accounting for finished product cost carry-forwards	
V.	Product Costing	8
A.	Types of production and product costing	
B.	variety law	
	① The concept of variety law	
	② Characteristics of the variety law	
	③ Calculation procedure for the variety law	
	④ Scope of application of the variety law	
C.	batch method	
	① Concept of the batch method	
	② Characteristics and calculations of the simplified batch method	
	③ Scope of application of the batch method	
D.	Step-by-step approach	
	① The concept of the step-by-step approach	
	② Characteristics and specific calculations of the step-by-step method of progressive carry-over	
	③ Characteristics and specific calculations of the step-by-step method of	

	parallel carry-over	
	④ Scope of application of the step-by-step approach	
E.	Other calculation methods	
VI.	Product Cost Report	2
A.	Overview of product cost reporting	
B.	Product cost statements	
	① System components of product cost statements	
	② Methods of preparing product cost statements	
C.	Product cost analysis	
	① The significance and tasks of product cost analysis	
	② Specific process of analysing product costs	
	③ factor analysis approach	
VII.	Fundamentals of decision-making accounting	8
A.	Cost pattern analysis	
	① Concept of cost behaviour	
	② Classification of cost patterns	
	③ Analyses using cost patterns	
B.	variable cost approach	
	① Concept of variable cost	
	② Components of variable costs and their calculation	
	③ Difference and link between variable cost and full cost	
C.	principal-volume profit analysis	
	① Concept and significance of principal-volume profit analysis	
	② Analysed using the basic formulae of principal-volume profit analysis	
	③ Calculation of the break-even threshold	
	③ Margin of safety and capital preservation rate	
	④ Operating leverage factor	
D.	Quantitative basis of accounting for decision-making	
VIII.	Short-term business decisions	8
A.	Overview of decision-making and short-term business decisions	
B.	Pricing decision analysis	
	① Pricing methodology	
C.	Production decision analysis	
	① Elements of production decisions analysis	
	② Characteristics of production decisions analysis	
	③ Methods of production decisions analysis	
IX.	full budget management	4
A.	Overview of the full budget	
	① Concept and role of the full budget	
	② Specific elements of a traditional full budget system	
B.	Principles of full budgeting	
C.	Preparation of the full budget	
	① Characteristics of sales and production budgets	
	② Methodology for the preparation of the cash budget	

	③Characteristics and operational techniques of specific methods such as flexible, zero-based and rolling budgets	
D.	Implementation and appraisal of the full budget	
X.	cost control	6
A.	Strategic cost management	
	①Concepts related to strategic management accounting	
	②Principles of Strategic Management Accounting	
	③Relationship between cost management and strategic positioning	
B.	Target Cost Control	
	①Concept of target cost control	
	②Principles of target cost control	
C.	Standard cost control	
	①Standard cost variance analysis and control	
	②Accounting for differences	
D.	Job Cost Control	
	①Concepts Related to Job Costing	
	②Differences between job costing and traditional costing methods	
	③Calculation of job costs	
XI.	Performance evaluation	4
A.	Economic value added	
	①Relationship between organisational objectives and performance evaluation	
	②Classification of responsibility centres and control of the focus of each centre	
	③Internal clearing prices for performance evaluation	
	④Calculation of economic value added	
B.	balanced scorecard	
	①Fundamentals of the Balanced Scorecard	
	②Application of the balanced scorecard	
Total Sessions (Coverage Hours)		56

Summary of UG CPC Topics Covered in this Course:	Hours/Minutes
a. Marketing	0
b. Finance	10
c. Accounting	20
d. Management	20
e. Legal environment of Business	0
f. Economics	10
g. Business Ethics	0
h. Global Dimensions of Business	0
i. Business Communications	0
j. Information System	6

k.	Quantitative Techniques and Statistics	0
l.	Business Policies	0
m.	Comprehensive or Integrating Experience	0
Total Estimated CPC Coverage Hours		56