

ADVANCED COST ACCOUNTING

Sem	Subject code	Category	Lecture		Theory		Practical	Credits
III	21CPCO3C	Core XI	6 hrs per week	90	6 hrs per week	90	NIL	5

COURSE OBJECTIVE:

- To acquire the various concepts, methods of costing and decisionmaking.
- To provide extensive knowledge about the costing techniques.

COURSE OUTCOMES:

On the successful completion of the course the students will be able,

CO NUMBER	CO STATEMENT	KNOWLEDGE LEVEL (K1 – K5)
CO1	To acquire knowledge on costing	K3
CO2	To apply process costing and contract costing system	K3
CO3	To analyse and apply service costing techniques	K3
CO4	To apply marginal costing and decision making	K3
CO5	To apply standard costing and recent trends in variance analyses	K3

**Knowledge Level: K1- Remember; K2- Understand; K3- Apply; K4 Analyse*

MAPPING WITH PROGRAMME OUTCOMES:

COS	PO1	PO2	PO3	PO4	PO5	PO6
CO1	M	M	S	M	M	M
CO2	M	S	S	M	M	S
CO3	S	S	S	S	S	S
CO4	S	S	S	S	S	S
CO5	S	S	S	S	S	S

S-Strong; M-Medium; L-Low

UNIT- I INTRODUCTION

(10hrs.)

Definition of Cost, Costing and Cost Accounting - Objectives and Functions of Cost Accounting - Fundamental Principles of Cost Accounting - Advantages and Limitations of Cost Accounting – Objections against Cost Accounting – Implementation of the Costing System – Practical difficulties in implementing a Costing System – Essentials of a good Cost Accounting System - Classification of Costs – Methods and Techniques of Costing - Elements of Cost - Role of Cost Accounting Information in Planning and Control.

UNIT- II CONTRACT COSTING & OPERATING COSTING

(15hrs.)

Contract Costing- Features - Profit on Incomplete Contracts- Escalation Clause- Cost Plus Contract- Work in Progress- Practical Problems.

Operating Costing – Procedure - Transport Costing- Power House Costing- Cinema House Costing- Hospital Costing- Canteen Costing- Practical Problems.

UNIT- III PROCESS COSTING

(15hrs.)

Process Costing- Process Loss - Normal Loss - Abnormal Loss- Abnormal Gain- Scrap- Defectives - Inter Process Profits - Equivalent Production- – Joint Products and By-Products - Practical Problems.

UNIT- IV MARGINAL COSTING

(25hrs.)

CPV Analysis- Characteristics of Marginal Costing – Advantages and Limitations of Marginal Costing - Break Even Analysis- P/V Ratio- MOS- BEP- Application of Marginal Costing - Pricing Decisions - Make or Buy Decision- Key Factor - Selection of a suitable Product Mix / Sales Mix – Exploring Foreign Markets - Introduction of New a Product- Discontinuance of a Product Line- Alternative Method of Production.

UNIT- V STANDARD COSTING AND VARIANCE ANALYSIS

(25hrs.)

Introduction- Meaning and Limitations of Standard Costing - Determination of Standard Cost for Direct Material, Direct Labour and Overhead Cost. - Variance Analysis - Cost Variance, Direct Material Variance, Direct labour Variance, Overhead Variance, Sales Variance, Variance with reference to Profit. (Practical Problems on Variance analysis).

DISTRIBUTION OF MARKS: PROBLEMS 80%, THEORY 20%

TEXT BOOKS:

S.NO	AUTHOR	TITLE OF THE BOOK	PUBLISHER	YEAR OF PUBLICATIONS
1	S.P. Jain and K.L.Narang	Cost Accounting	Kalyani Publishers	2018

2	B.K. Bhar	Cost Accounting	Academic publishers, Calcutta.	2018
3	T.S. Reddy and Y.H Reddy	Cost and management Accounting	Margham Publications, Chennai.	2018
4	C.T. Horngren	Cost Accounting	A Managerial emphasis- Pearson education – new Delhi	2018

REFERENCE BOOKS:

S.NO	AUTHOR	TITLE OF THE BOOK	PUBLISHER	YEAR OF PUBLICATIONS
1	Jawarhlal	Cost Accounting	Tata McGraw hill	2018
2	Ravi M. Kishore	Advanced management accounting	Taxman's – New Delhi.	2018
3	Robert S. Kaplan- Antony A. Atkinson	Advanced management accounting	Prentice Hall of India – New Delhi.	2018
4	Weldon's	Cost Accounting and Cost methods	Mc Donald and Evens limited	2018
5	Dr. A. Murthy &Dr. S. Gurusamy,	Cost Accounting	Vijay Nicole.	2018

TEACHING METHODOLOGY:

- Class roomteaching
- Discussions
- PPTPresentations
- Chalk &Board
- Seminar
- Charts/ Models/Demo

WEBSITE SOURCES:

- www.wikipedia.com

SYLLABUS DESIGNER:

- Dr. A. Sudarvizhi, Assistant Professor ofCommerce
- Ms. D. Vijaya Nirmala, HOD of Commerce(Unaided).