

**JYOTI NIVAS COLLEGE AUTONOMOUS
SYLLABUS FOR 2018 BATCH AND THEREAFTER**

Programme: Integrated B.Com M.Com.

Semester: VI

ADVANCED COST ACCOUNTING

Course Code: 19IC605

No. of Hours: 60

Objectives:

- To enable the students to acquire skills needed to present accounting information.
- To provide the students with an in-depth knowledge of advanced approaches of Cost Accounting.
- To enable them to apply costing methods and techniques to assist management for taking appropriate decisions.

Outcome:

- Demonstrate costing methods and techniques appropriate to a variety of different businesses.
- Explain the role of standard costing within organizations and prepare and interpret standard costs and variance statements.
- Students will be able to prepare functional budgets.

Unit	Content	Hours
1	Absorption & Marginal Costing: Absorption Costing: Meaning - Absorption cost equation - uses and merits - inadequacies and shortcomings. Marginal Costing: Meaning and definition of marginal cost and marginal costing - marginal cost equation - distinctive features -marginal approach to profit calculation - difference in income between absorption and marginal costing - advantages and application -disadvantages - points of differences between absorption and marginal cost models - practical problems- Managerial Applications of Marginal Costing.	10 hrs

2	<p>Cost-Volume - Profit Analysis: Application in Decision-making:</p> <p>Meaning - approaches to the analysis - cost and revenue equations approach - contribution margin approach - P/V ratio - Break-even point - geometric location - computation techniques - break-even sales unit volume - break-even revenue volume - target profit - margin of safety - key factor / limiting factor - modification in basic model - cash break-even point - opportunity cost and break-even point - multiple product situations - C.V.P. Graphs - algebraic calculations -Limitations of break-even chart - assumptions and limitations -practical problems. Pricing decisions - Make-or-buy and other short-term decisions - Dealing with risk and uncertainty in decision-making</p>	10 hrs
3	<p>Standard Costing and Cost Variance analysis</p> <p>Meaning - importance - definition of standard costing - historical and estimated costs - budgeted Vs. Standard Costs –setting cost standards - advantages and uses of standard costing to management.- Brief Introduction to cost reduction and cost control. Variance Analysis: The concept - uses of variance information in decision-making - requirements of good variance analysis - types of variances -- material variances price and efficiency Material mix and yield variances - Sales mix and quantity variances variance - - labour variances - Planning and operational variances - Performance analysis and practical problems.</p>	14 hrs
4	<p>Budgetary control</p> <p>Definition- Objectives- Advantages- Limitations- Key factor, Master Budget- Classification of Budgets- Preparation of Flexible and cash budgets. Functional Budget (Theory only). Quantitative analysis in budgeting</p>	10hrs
5	<p>PART A</p> <p>Specialist cost and management accounting techniques</p> <p>Target costing - Life-cycle costing - Throughput accounting - Environmental accounting</p> <p>PART B</p> <p>Activity Based costing</p>	10 hrs

	Meaning of ABC and simple problems	
6.	Performance Measurement and Control Performance analysis in private sector organisations - Divisional performance and transfer pricing - Performance analysis in not-for-profit organisations and the public sector - External considerations and the impact on performance	6 hrs

SKILL DEVELOPMENT

- Visiting any Production industry.
- Collection of data .
- Submission of a report based on the visit.

BOOKS FOR REFERENCE

1. Maheshwari S.N & Maheshwari S.K: Corporation Accounting, (Vikas Publishing)
2. Lall Nigam BM & Sharma GL : Advanced – Cost Accounting
3. Dr. Agarwal M.L : Cost Accounting
4. Prasad N K: Cost Accounting
5. Jain & Narang : Advanced Cost Accounting
6. Weldon- Cost Accounting
7. Swaminathan- Lectures on Costing
8. B K Bhal- Cost Accounting
9. Manmohan Goyal- Cost Accounting
10. Khanna, Pandey & Ahuja- Practical Problems on Costing
11. ACCA Performance Management – Study Text, BPP London or Kaplan Publishing