

Teaching guide

IDENTIFICATION DETAILS

Degree:	Business Administration and Management		
Field of Knowledge:	Social and Legal Science		
Faculty/School:	Law, Business and Governance		
Course:	COST ACCOUNTING		
Type:	Compulsory	ECTS credits:	6
Year:	2	Code:	7125
Teaching period:	Fourth semester		
Area:	Accountancy		
Module:	Functional administration of business areas		
Teaching type:	Classroom-based		
Language:	English		
Total number of student study hours:	150		

Teaching staff	E-mail
Pilar López Sánchez	p.lopez.prof@ufv.es
Manuel Ángel Ferrer Navarro	manuelangel.ferrer@ufv.es
Eduardo Gallo Rodríguez	eduardo.gallo@ufv.es

SUBJECT DESCRIPTION

Throughout the degree of ADE the student receives a complete training in all areas of the business reality and the best techniques of business management, including accounting in its different types. This course allows you to understand how is the process of generation of value in the company and the estimation of consumed resources

to carry it out. For this, on the basis of the meaning of the concept of cost, their classification and significance for the current management business, different models of allocation of costs, reflecting business realities are working, help the management in making business decisions

The subject Cost Accounting is part of the "Management of Business functional area" in the ADE degree. This module includes three subjects: Accounting, Finance and Commercial. The Accounting subjects are detailed below:
Degree in ADE

Module: MANAGEMENT OF BUSINESS FUNCIONAL AREA.

Subject: ACCOUNTING-

- Financial Accounting I and II
- Cost Accounting
- Analysis of Financial Statements I and II
- Audit I and II
- Fiscal Accounting.

The objective of the ADE degree at the Francisco de Vitoria University is to train future business professionals capable of improving the environment with their good work, applying our motto "Vince in Bono malum" in any area of their future lives.

To this end, our students will receive a complete training in all business areas-

- Training in business management, including accounting in its different types.
- Anthropological and epistemological training that will serve as a basis for ethical behaviour.
- Cultural training that allows you to see the environment with a broad historical perspective and diversity of cultures.
- Training for teamwork, understood as a group of people who share a name, a mission, a history, a set of goals or objectives and expectations in common.
- Training in positive leadership skills as a way of driving others towards the achievement of person-centred business objectives.

The origin of Accounting goes back to the primitive human organizations when the need arises to shape and value in some way the economic transactions made between different social agents. At present and in the environment in which we live, these transactions are developed in a market economy framework with many uncertain variables. Given that economics is the science that studies the way in which productive resources are distributed, it needs accounting, which as a social science (although of an economic nature) has as its primary purpose to elaborate information that helps social agents in decision making. Cost Accounting aims to facilitate decision making for internal users of the company, developing tools that allow the measurement and valuation of business activity and its surpluses.

The management of companies, from the smallest to the largest corporations, requires the knowledge of Cost Accounting to develop an optimal management of value flows as a key aspect of success in their management. To this end, it provides managers with information on the cost of products, services or customers, necessary to carry out planning and control processes, as well as, receive support for decision making. T

his course focuses on the study of basic concepts of costs, analysis, utility and procedures necessary to design cost systems so that it is a useful tool for management. The first objective of the course is to teach the techniques necessary for cost calculation, linking it to the analysis and use of information in the planning and control process, an area that will be deepened in the subject of Management Control scheduled for the 5th semester of the ADE degree.

GOAL

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The specific aims of the subject are:

Understanding of the process of formato of the costs and its relationship to the value chain of the company.



Design cost systems and cost management as a tool for decision making in the company, understood as a community of service to society

PRIOR KNOWLEDGE

It is necessary to have basic knowledge of financial accounting: analysis of the changes in shareholding equity, Balance Sheet, income statement, inventory valuation, depreciation, etc, given that financial accounting information is the basis for the development of the cost system. It is also important that students learn the production system of the company, as well as its organization. These skills have been acquired with the subjects of organization and business administration

COURSE SYLLABUS

1. PART ONE: INTRODUCTION TO MANAGEMENT ACCOUNTING

Chapter I: INTRODUCTION TO MANAGEMENT ACCOUNTING BASIC CONCEPTS.

1. Scope of study of analytical accounting: Relationship between financial accounting and management accounting for planning and control.
2. Objectives and users of management accounting.
3. Management Accounting and Strategic Management.

Chapter II: FUNDAMENTAL COST CONCEPTS.

1. Concept of cost, object of cost, subject of cost. Cost generator. Purpose of cost.
2. Conceptual differences: cost, expenditure, payment, investment.
3. Classification of costs: a) according to their degree of linkage: direct costs and indirect costs; b) according to their behavior: variable costs and fixed costs; c) according to their linkage with the cost calculation period: inventory costs (or product costs) and period costs.

PART TWO: STRUCTURE AND DESIGN OF COST SYSTEMS.

Chapter III. FULL COST MODEL

1. Costs involved: Raw Materials, Direct Labor, Manufacturing Overhead.
2. Main functions that make up the operating activity of the company.
3. Cost centers: definition, classification and allocation of costs to the centers.
4. Calculation of the cost of finished and sold products in industrial, commercial and service companies.
5. Functional income statement: concept and structure.
6. Classification of cost systems.

Chapter IV. ANALYSIS OF ACTIVITY AND EFFICIENCY BY CENTERS: RATIONAL ALLOCATION MODEL.



1. Concepts of efficiency and effectiveness.
2. Technical and economic efficiency. 2. Behavior of costs with respect to variations in the level of activity: fixed costs and variable costs.
3. The use of installed capacity as an efficiency factor.
4. The method of rational allocation of structural costs.

Chapter V: PROCESS COSTING.

1. Analysis of the operating systems in industrial and commercial enterprises.
2. Distinction between order-based and process-based costing systems and their application to each sector of activity.
3. Determination of the cost of production when there are final stocks of products in process: the concept of equivalent production.
4. Treatment of lost units.

Chapter VI: JOB ORDER COSTING

1. Characteristics of a make-to-order manufacturing system.
2. Interpretation of the cost allocation process in an order-related costing system.
3. Concept of production orders.
4. Delimitation of the resources to be considered in the costs of an job order or production order.

Chapter VII: ACTIVITY-BASED COSTING MODEL (ABC)

1. Concept of activities and cost drivers.
2. Cost Allocation Stages in the ABC system
3. Purpose of the ABC cost model and evolution towards ABM (Activity Based management)

EDUCATION ACTIVITIES

A teaching methodology based on real experience in the company has been established, incorporating the most appropriate educational methods and technologies for the objectives of the course. The development of the course will be carried out taking into account the following methodologies:

1. **FLIPPED CLASSROOM:** Active methodology that moves the instruction out of the classroom through videos or enriched texts to increase the face-to-face time in which to perform higher cognitive level tasks proposed and guided by the teacher. In both face-to-face and remote classes, reverse learning is based on facilitating the contents for autonomous study by the student.
2. **PROBLEM-BASED LEARNING:** Methodology focused on learning, research and reflection that students follow to reach a solution to a problem posed by the teacher. PBL is proposed as a means for students to be the protagonists and acquire knowledge and apply it to solve a real or fictitious problem, without the teacher using the lecture or other method to transmit the subject matter.
3. **PARTICIPATIVE LECTURE LESSON:** Unlike the classic lecture, in which the weight of the teaching falls on the teacher, in the participative lecture we look for the student to pass from a passive attitude to an active one, favoring his participation. For this, it is necessary for the teacher to have a good structuring of the content, to have a clear exposition and to be able to keep the student's attention and interest.
4. **AUTONOMOUS WORK.** The student takes the initiative with or without the help of others (teachers, classmates, tutors, mentors). It is the student who diagnoses his learning needs, formulates his learning goals, identifies the resources he needs to learn, chooses and implements the appropriate learning strategies and evaluates the results of his learning. The teacher thus becomes the guide, the facilitator and a source of information that collaborates in this autonomous work. This methodology will be of special interest for the development of competencies related to research.
5. **COOPERATIVE LEARNING IN SMALL GROUPS:** The number of students scheduled at our University allows for small group work. Slavin defines cooperative work as "instructional strategies in which students are

divided into small groups and are evaluated according to the productivity of the group", which brings into play both individual responsibility and positive interdependence, the basis of professional teamwork.

6. TUTORIAL ACTION SYSTEM: which includes interviews, discussion forums, self-reports and tutorial follow-up reports.
7. RESEARCH: Search for information from various sources and documents, analysis and synthesis of the data and their development.

DISTRIBUTION OF WORK TIME

CLASSROOM-BASED ACTIVITY	INDEPENDENT STUDY/OUT-OF-CLASSROOM ACTIVITY
60 hours	90 hours
<ul style="list-style-type: none"> • Participative Lectures 20h • Cases and Exercises solving 20h • Tutored individual work 10h • Work in collaborative groups under tutoring 10h 	<ul style="list-style-type: none"> • Self-study of content provided by the professor 30h • Theoretical and practical study 30h • Preparation of cases/problems to be discussed in class 15h • Virtual networking, participation in forums 15h

SKILLS

Basic Skills

Students must have demonstrated knowledge and understanding in an area of study that is founded on general secondary education. Moreover, the area of study is typically at a level that includes certain aspects implying knowledge at the forefront of its field of study, albeit supported by advanced textbooks

Students must be able to apply their knowledge to their work or vocation in a professional manner and possess skills that can typically be demonstrated by coming up with and sustaining arguments and solving problems within their field of study

Students must have the ability to gather and interpret relevant data (usually within their field of study) in order to make judgments that include reflections on pertinent social, scientific or ethical issues

Students must be able to convey information, ideas, problems and solutions to both an expert and non-expert audience

Students must have developed the learning skills needed to undertake further study with a high degree of independence



General Skills

Ability to carry out synthetic and analytical thought.

To have developed the necessary skills to ensure problems are solved and goals are reached.

To run businesses for the benefit of people and society, with quality as the key element in order to achieve a competitive advantage.

To develop oral and written communication skills in a native and foreign language.

To be able to apply relevant IT knowledge to the field of study.

To enjoy a creative and entrepreneurial spirit.

Specific skills

To be able to design and manage projects.

To be able to plan, calculate and manage company costs.

To be able to orientate products and services developed by a company as a means of bettering society.

To develop oral and written communication skills.

To be able to effectively use those tools needed for giving presentations.

To be able to put knowledge into practice.

LEARNING RESULTS

Distinguish the characteristics of the internal and external environments in the company to understand the relationships between them and how the value generation process occurs.

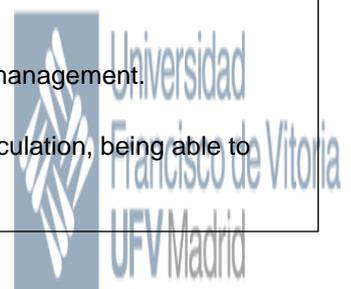
Adequately assesses the role that Cost and Management Accounting plays in providing the necessary information for the management and direction of company

Identifies and classifies the cost factors for each of the cost objectives set by the company at any given time.

Compares and values the production factors according to their nature, function and possibility of attribution to the final product or service output of the company, also applying computer tools.

Structure the different cost models analyzing which is the one that best meets the needs of management.

Elaborates and explains the different steps that constitute the accounting process of cost calculation, being able to justify the decision



LEARNING APPRAISAL SYSTEM

The evaluation system will be carried out through the continuous evaluation model, assessing the student's learning process from the continuous monitoring of the work done, and is aimed at verifying that the student has acquired the competencies, skills and learning outcomes expected for this subject. The evaluation system distinguishes between students in first enrollment, with continuous evaluation system, of the alternative evaluation system for students of second and successive enrollments or students with academic dispensation (*) but who will perform the activities required by the teacher. The evaluation systems are:

1- CONTINUOUS EVALUATION SYSTEM. This continuous evaluation will take into account the following parameters: active and relevant participation in class, the discussion of cases, resolution of practical cases, mid term exams, team work and final exam. The course is evaluated from 0 to 10 points, which are accumulated throughout the course. A minimum grade of 5 points out of 10 in the final exam is required for the continuous evaluation to be applied. The percentage weighting of the different parameters in the final grade will be applied as follows:

I) Problems solving (individual and/ or group), resolution of practical cases and exercises (delivered in the time and form stipulated by the professor, and developed in the classroom): 25%.

II) Continuous evaluation (class participation, case discussions, round tables, virtual classroom, forums, tutorials...): 5%.

III) Mid-term exam: 20%.

IV) Final exam (in order to apply the continuous evaluation it is required to obtain at least a 5 out of 10 in the final exam): 50%.

2.- ALTERNATIVE EVALUATION SYSTEM:

I) Problem solving, resolution of practical cases and exercise (individual homework in the virtual classroom) 15%.

II) Final exam (to apply the continuous evaluation it is required to obtain at least a 5 out of 10 in the final exam) 85%.

Students with academic dispensation (*) approved.

For UFV students on an exchange stay is not necessary to request a waiver. Students in second or successive enrollment: these students may use the continuous evaluation system, as long as they comply with all the requirements, including class attendance. Otherwise, they must follow the alternative evaluation system, and it is not necessary to request an academic waiver.

In any of the cases, it is the student's responsibility to follow the course, as well as the aspects that make up its evaluation.

EXTRAORDINARY CALL

The student must work on the subject during the whole term. Different activities will be designed to facilitate the student's gradual acquisition of knowledge. Bearing in mind that continuous effort and learning is a goal, the grade obtained in the group work in the ordinary exam will be maintained in the extraordinary exam. However, the percentage of individual work may be recovered with the completion of alternative exercises proposed by the teacher for this purpose, obtaining a maximum of 5 out of 10 in this section.

All tests subject to evaluation will be subject to what is established in the UFV Evaluation Regulations. Students are obliged to observe the elementary and basic rules on authenticity and originality in any activity or evaluation test. Plagiarism, as well as the use of illegitimate means in evaluation tests, will be sanctioned in accordance with the provisions of the University's Evaluation Regulations and Coexistence Regulations.

In order to ensure significant learning by the student, the deadlines for the delivery of the proposed activities, individual and group work will be scrupulously respected.

In the case that the student does not pass the final exam (grade higher than 5) both in ordinary and extraordinary call, the grade of the course will be the one obtained in the exam.

(*) A student may obtain academic dispensation for reasons of work, incompatibility of schedules, illness or others that the Direction of the Career may deem, upon request of the same in Academic Coordination, providing the documentation required for this purpose. Once granted, both the affected professor and the student who has requested it will be officially notified by the Academic Coordination.

BIBLIOGRAPHY AND OTHER RESOURCES

Basic

HORNGREEN, DATAR and FOSTER Cost Accounting. A Managerial Emphasis Last Edition

Additional



MITCHELL FRANKLIN,PATTY GRAYBEAL & DIXON COOPER Principles of Accounting. Volume 2.Managerial Accounting Openstax