

CC X Cost Accounting

Unit 1.

Definition, scope and nature of cost accounting – cost concepts – classification – objectives and advantages – demerits of cost accounting – methods and techniques – cost units – cost centers – cost sheets.

Unit 2.

Materials cost – purchase procedure – stores procedure – receipt and issue of materials – storage organization and layout – Inventory control – levels of stock, perpetual inventory, ABC Analysis, EOQ – Stores ledger – pricing of material issues, FIFO, LIFO. Simple Average and weighted Average methods.

Unit 3.

Labour cost – Time recording and time booking – methods of remuneration and incentive schemes- overtime and idle time – labour turnover type, causes and remedies.

Unit 4.

Overheads – collection, classification, allocation, absorption – recovery rates – Over and absorption – cost sheet and cost reconciliation statement.

Unit 5.

Methods – job costing, contract costing, process costing* (normal loss, Abnormal loss and gains) – operating costing. *Under Process Costing Equivalent Production is not included

Question paper should cover Theory 25% Problems 75%

References

- 1) Dasgupta P., *Studies in Cost Accounting*, Sultan Chand & Sons, New Delhi, 1991.
- 2) Jawahar Lal, *Cost Accounting*, Tata McGraw Hill Pvt., Ltd., New Delhi 1995.
- 3) Khan M.Y. and Jam P.K., *Management Accounting*, Tata McGraw Hill Pub. Co., Ltd., New Delhi 1994.
- 4) Mukherjee A. and Nag K.A., *Contemporary Approach to Cost Accounting: Prime Cost and Overheads*, New Central Book Agency, Calcutta, 1985.