

Programme of “Cost Accounting”		
• LEVEL OF COURSE UNIT: 1 ST CYCLE DEGREE IN L-18 “ECONOMIA E AMMINISTRAZIONE DELLE IMPRESE”		
• YEAR OF STUDY: III; SEMESTER: II		
Number of ECTS credits: 6 (workload is 42 hours; 1 credit = 7 hours)		
Teachers: Prof.ssa Francesca Mandanici and Prof. Lorenzo Neri		
1 Course objectives	<p>The course identifies current trends in management accounting and describes the major users and uses of accounting information, illustrating the construction and interpretation of cost information in day-to-day decision-making. The course deals with all business sectors as well as manufacturing, mapping out contemporary concepts and computations regarding the total cost and profitability of processes and single products or services.</p> <p>Students begin their understanding of managerial decision by asking “How will my decision affect the costs and revenues of the organization?”. Students then progress to more complex questions such as “What products or services should we emphasize or eliminate?” and “How to build budgets and forecast analysis?”</p>	
2 Course content and learning outcomes	<p>The course describes the different purposes of cost accounting systems and their effects on operative decision-making processes. Topics include:</p> <ul style="list-style-type: none"> • Direct Costing; • Full Costing; • Break-Even Analysis; • Operative and financial budgets. <p>When students have finished studying this course, they should be able to:</p> <ul style="list-style-type: none"> - Classify a cost as variable or fixed, direct or indirect, controllable or not; - Compute the optimal product mix when production is constrained by a scarce resource; - Choose whether to add or delete a product line or a department; - Create a cost-volume-profit graph, understanding the assumptions behind it, and calculate sales volume in units and euros to reach a target profit; - Construct a contribution margin income statements, identifying the relevance for decision making; - Explain the major reasons and methods for allocating costs and calculate cost objects; - Explain how budgets facilitate planning, communication and coordination; - Explain the difficulties of sales forecasting; - Prepare the operating budget and the supporting schedules; - Prepare the financial budget and, finally, the master budget 	
3 Prerequisites and learning activities	<p>The student must know the basic notions of “Economia Aziendale”, “Contabilità” and “Ragioneria Generale e Applicata”</p>	
4 Teaching methods and language	<p>Teaching methods: Lectures and exercises in classroom. Powerpoint slides are available to students on the course website. Language: Italian Ref. Text books: <ul style="list-style-type: none"> - BERTI F., Il sistema dei budget aziendali, Cedam, 1995 (no: par. 3.2 of the chapter VII); - LIBERATORE G., PERSIANI N., Contabilità analitica per le decisioni economiche, Cedam, 1995 (no: chapter IV and V). Other references will be communicated at the beginning and during the course </p>	
5 Assessment methods	Written exam (multiple choices and practical exercises).	