

DESCRIPTION OF MODULE

Operational costs

Aim	To master the basic principles, importance and tasks of cost classification, accounting and calculation in business organisation and management. To master the basic principles of price calculation and profit determination, the basic principles of budget development and control, as well as be able to determine the most important costs for decision-making. To acquire knowledge and skills in calculating operating costs and production costs in order to effectively manage the cash flow of the company and ensure profitability in production.
Tasks (Learning outcomes)	<p>According to competence and responsibilities at the place of work:</p> <p>Understands the theory of management accounting and the practical applicability of management accounting methods in ensuring and managing economic activities of the company, evaluating operational processes.</p> <p>Knows the concept of costs, basic principles of cost classification, full cost calculation techniques, including using overhead rates, process costing, break-even point, profit or loss threshold, how to determine the optimal production and sales volume of the product, cost classification in profit or loss calculation and operating profit, the classification of revenue and expenditure in the cash flow and the budget plan.</p> <p>Is able to perform calculations, analyse the obtained results, understand the causes and develop proposals for the elimination of problems or improvement of the situation, select information and present the calculations performed and proposals made.</p>
Assessment form	<ol style="list-style-type: none"> 1. Active participation in the acquisition of the module by participating in lectures, discussions; 2. Timely performance of practical tasks and participation in the review of their results, detection of errors and inaccuracies, their analysis and finding out how to correct or prevent them; 3. During the module, develop a practical task based on any of one's own company's product(s) or service(s). The final task requires determining and allocating costs, calculating the cost, determining the sales price, calculating and explaining the break-even point, preparing a budget plan for one period, preparing cash flow for one period and preparing detailed income and expense records for each month included in the period. As part of this task, get to know who does such work and how it is performed in the company. Present the obtained results to the audience. The presentation must explain and prove the obtained result with numbers.

CONTENT OF MODULE

Learning outcomes	Topics	Content	Units	Assessment of acquired learning outcomes (optimal level)	Methods and ideas for learning process
<p>1. Understands the theory of management accounting and the practical applicability of management accounting methods in ensuring and managing economic activities of the company, evaluating operational processes.</p>	<p>1.1.Comparison of financial and management accounting.</p>	<p>1.1.1. Characteristics and substance of financial and management accounting;</p> <p>1.1.2. Comparison of financial and management accounting;</p> <p>1.1.3. Tasks of management accounting;</p> <p>1.1.4. The role of cost in business and why it is necessary to calculate it, who uses cost calculations and for what purposes.</p>		<p>Describes the importance of financial and management accounting in the company.</p> <p>Evaluates the importance and calculations of cost in ensuring economic activity.</p>	<p><i>Discussion:</i> Learners describe their understanding of financial and management accounting and what the process is in a manufacturing company.</p> <p><i>Practical exercises</i> on financial and management accounting comparison, costing methods and calculations.</p>
<p>2. Knows the concept of costs, basic principles of cost classification, full cost calculation techniques, including using overhead rates, process costing, break-even point, profit or loss threshold, how to determine the optimal production and sales volume of the product, cost classification in profit or loss calculation and operating profit, the classification of revenue and expenditure in the cash flow and the budget plan.</p> <p>Is able to perform calculations, analyse the obtained results, understand the causes and develop proposals for the elimination of problems or improvement of the situation, select information and present the calculations performed and proposals made.</p>	<p>2.1.Costs, their classification. Production cost, full cost.</p>	<p>2.1.1. Concept of costs and expenses.</p> <p>2.1.2. Substance of costs. Principle of accrual in cost accounting.</p> <p>2.1.3. Costs of long-term investments. Fixed asset depreciation calculation methods and their impact on costs.</p> <p>2.1.4. Labour costs and payroll tax calculations. Working time accounting.</p> <p>2.1.5. Classification of costs in cost calculations: direct and indirect costs, variable and fixed costs, mixed costs.</p> <p>2.1.6. Classification of costs by function and nature.</p> <p>2.1.7. Determining the initial value of stock (assets): purchase costs or production cost.</p> <p>2.1.8. Production and non-production costs, product or period costs and presentation of these costs in the balance</p>		<p>Describes the concept of costs and expenses.</p> <p>Describes the role of costs in economic activity.</p> <p>Names the methods for the calculation of fixed assets and formation costs.</p> <p>Assesses the formation of labour costs, including the accounting of working time.</p> <p>Describes the cost classification and cost methods.</p> <p>Names the functions and types of costs.</p> <p>Describes the inventory value formation process.</p>	<p><i>Tasks:</i> Solving various tasks in accordance with the topics discussed under paragraph 2 in order to strengthen practical skills.</p> <p><i>Task:</i> Based on any of one's own company's product(s) or service(s), it is required to determine and distribute costs</p> <p><i>Task:</i> Learners calculate the cost.</p> <p><i>Task:</i> Learners determine the sales price.</p> <p><i>Task:</i> Learners calculate the break-even point and explain it.</p> <p><i>Task:</i> Learners prepare a budget plan for one period.</p> <p><i>Task:</i> Learners prepare a cash flow for one period.</p> <p><i>Task:</i> Learners prepare detailed records of income and expenses for each month</p>

	<p>2.2. Cost of a product or service</p> <p>2.3. Basic principles of pricing</p> <p>2.4. Break-even point</p> <p>2.5. Costs important for decision-making</p> <p>2.6. Budget planning and development</p>	<p>sheet and profit or loss statement.</p> <p>2.1.9. Object of calculation.</p> <p>2.1.10. Full cost and production cost.</p> <p>2.2.1. Types of cost calculation: pre-calculation, post-calculation, standard calculation.</p> <p>2.2.2. Distribution of costs by type of costs, place of cost origin, cost carriers or calculation objects.</p> <p>2.2.3. Costing systems: full cost calculation, process cost calculation, variable cost calculation.</p> <p>2.2.4. Calculation and use of addition rules in cost calculations.</p> <p>2.3.1. Price calculation.</p> <p>2.3.2. Trade discounts, brokerage discounts, seasonal discounts.</p> <p>2.3.3. Special price.</p> <p>2.4.1. Break-even point, definition and essence.</p> <p>2.4.2. Break-even point calculation equation.</p> <p>2.5.1. Concept of decision, types of decisions.</p> <p>2.5.2. Important and insignificant costs.</p> <p>2.5.3. Value of assets in the company.</p> <p>2.6.1. Budgeting process.</p> <p>2.6.2. Budget types and methods of</p>	<p>Evaluates the integration of production and non-production costs into accounting calculations.</p> <p>Names the objects of calculation.</p> <p>Evaluates the full cost and production cost methods.</p> <p>Names and describes the types of calculation for the cost calculation.</p> <p>Describes the cost allocation process by cost types, locations and objects.</p> <p>Names the costing systems.</p> <p>Names the rates of overheads and possibilities of their use in economic calculations.</p> <p>Describes a price calculation in the manufacturing company. Names various discounts related to sales.</p> <p>Describes the essence of BEP in the economic activity of the company.</p> <p>Calculates BEP in the company.</p> <p>Describes the processes and types of business decisions. Identifies material and immaterial costs. Describes the common things in the performance of the company in terms of defining the value of the asset.</p> <p>Describes the budgeting process.</p>	<p>included in the period.</p> <p><i>Task in the work environment: Task:</i> Learners get to know who does such work and how it is performed in the company.</p> <p><i>Final examination:</i> Present the obtained results to the audience. The presentation must explain and prove the obtained result with numbers.</p>
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Date: 2019