

**Specification of Competency Standards**  
**for the Manufacturing Technology Industry**  
**Unit of Competency**

Functional Area - Financial Management

Title	Carry out cost accounting and manage cost deviation
Code	106541L4
Range	This unit of competency is applicable to the finance / accounting departments of the corporation of the Manufacturing Technologies Industries. Practitioners should be capable to base on the corporate requirements, carry out cost accounting and manage cost deviation and other relevant costing accounting works
Level	4
Credit	6 (For Reference Only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Understand relevant knowledge of cost accounting <ul style="list-style-type: none"> <li>• Understand the relationship between management accounting principles and financial accounting</li> <li>• Understand the foundation theory of cost accounting, including the meaning and function of cost accounting, cost accounting principles and cost management system</li> <li>• Understand the classification of costs, including the cost of the foundation concepts, classification, differences of characteristics of the industry, and the preparation of profit and loss statement</li> <li>• Understand quality costs, including the meaning of quality and significance of quality of cost</li> <li>• Understand the full cost method and variable costing</li> </ul> </li> <li>2. Carry out cost accounting and manage cost deviation <ul style="list-style-type: none"> <li>• Calculate the standard costs and actual costs, including salary and marketing costs, average cost, average profit, regression analysis and cost sharing</li> <li>• Identify cost differences and find out the causes</li> <li>• Analyse the cost, quantity, profits, including analysis of balance of profit and loss and calculation of balance of profit and loss, the cost, volume and profit analysis</li> <li>• Calculate the full costs and variable costs, including the development of the full cost method and variable costing income statement, and evaluate the impact of the changes of inventory on profits and losses</li> </ul> </li> <li>3. Professional handling of cost accounting and manage cost deviation <ul style="list-style-type: none"> <li>• Ensure that the financial information/ data provided is accurate /</li> <li>• Prevent any abuse or corruption through cost accounting</li> </ul> </li> </ol>
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> <li>• Capable to organise and integrate various reports collected within the corporation and carry out cost accounting and manage cost deviation</li> </ul>
Remark	