

Specification of Competency Standards of the Watch & Clock Industry

**Unit of Competency**

**Functional Area: Operational Management**

Title	Apply Cost Accounting
Code	104884L3
Range	This unit of competency (UoC) is applicable in timepiece companies. It covers the abilities to master cost accounting theory and independently perform cost accounting duty for the watch and clock industry according to corporate requirements.
Level	3
Credit	9 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Understand basic cost accounting theory <ul style="list-style-type: none"> <li>• Understand basic cost accounting theory, including: <ul style="list-style-type: none"> <li>• The significance and functions of cost accounting</li> <li>• The relationship between cost accounting, management accounting and financial accounting</li> <li>• The cost accounting system</li> </ul> </li> <li>• Understand the classification of costs, including: <ul style="list-style-type: none"> <li>• The basic concept of costs</li> <li>• The classification of costs</li> <li>• The characteristics of different industries and their differences</li> <li>• The preparation of profit and loss statements</li> </ul> </li> <li>• Understand the cost of quality, including: <ul style="list-style-type: none"> <li>• The significance of quality</li> <li>• The importance of cost of quality</li> <li>• Understand the definitions of total cost method and variable cost method</li> </ul> </li> </ul> </li> <li>2. Apply industry-related cost accounting <ul style="list-style-type: none"> <li>• Independently perform cost accounting duties for the watch and clock industry <ul style="list-style-type: none"> <li>• Calculate cost, including: <ul style="list-style-type: none"> <li>• Raw materials, wages and cost of goods sold</li> <li>• Cost estimation</li> <li>• Regression analysis</li> <li>• Cost sharing</li> <li>• Cost sharing among service departments</li> </ul> </li> <li>• Analyze cost, quantity and profits, including: <ul style="list-style-type: none"> <li>• Break-even analysis</li> <li>• Calculate break-even point</li> <li>• Analyze cost, quantity and profits</li> </ul> </li> <li>• Calculate total cost and variable cost, including: <ul style="list-style-type: none"> <li>• Prepare profit and loss statements by using total cost method and variable cost method</li> <li>• Assess the impact of changes in inventory level on profit and loss</li> </ul> </li> </ul> </li> </ul> </li> <li>3. Exhibit professionalism <ul style="list-style-type: none"> <li>• Ensure that the financial information/data provided is accurate and correct</li> <li>• Prevent any abuse of power or corruption by manipulating financial management</li> </ul> </li> </ol>
Assessment Criteria	<p>The integrated outcome requirements of this UoC are the abilities to:</p> <ul style="list-style-type: none"> <li>• Master the knowledge of accounting to independently perform accounting duty for the watch and clock industry in accordance with corporate requirements, such as: cost calculation, cost analysis, quantity and profit, etc.</li> </ul>
Remark	