

Cooperativa Muratori & Cementisti C.M.C.

COST ACCOUNTING MANUAL

Cost Accounting

Traduzione in inglese

Enrica Savioli

TABLE OF CONTENTS:

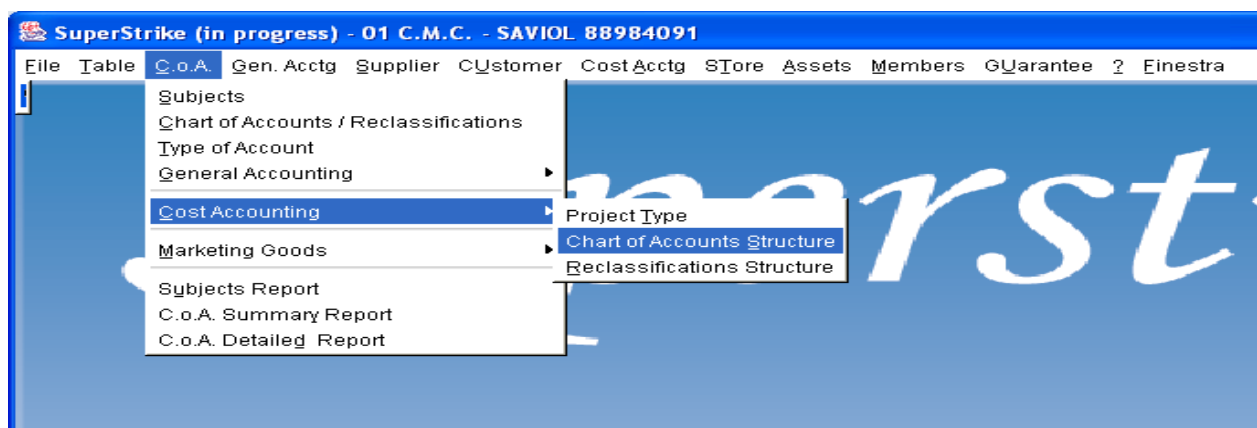
1. CHART OF ACCOUNTS STRUCTURE – Opening of new cost centres /sub-centres	Pages 3-6
2. RECLASSIFICATION STRUCTURE – Aggregation of cost centres /sub-centres	Pages 6-7
3. CHART OF ACCOUNTS STRUCTURE – Opening of new expense items	Pages 8-10
4. RECLASSIFICATION STRUCTURE – Aggregation of expense items	Pages 11-12
5. COST ACCOUNTING PRINT-OUTS – Processing (Details / P.L.A./Summary/Add.summary)	Pages 13-18
6. COST ACCOUNTING MOVEMENTS	Page 19

COST ACCOUNTING MANUAL

1. CHART OF ACCOUNTS STRUCTURE (CREATION OF COST CENTRES)

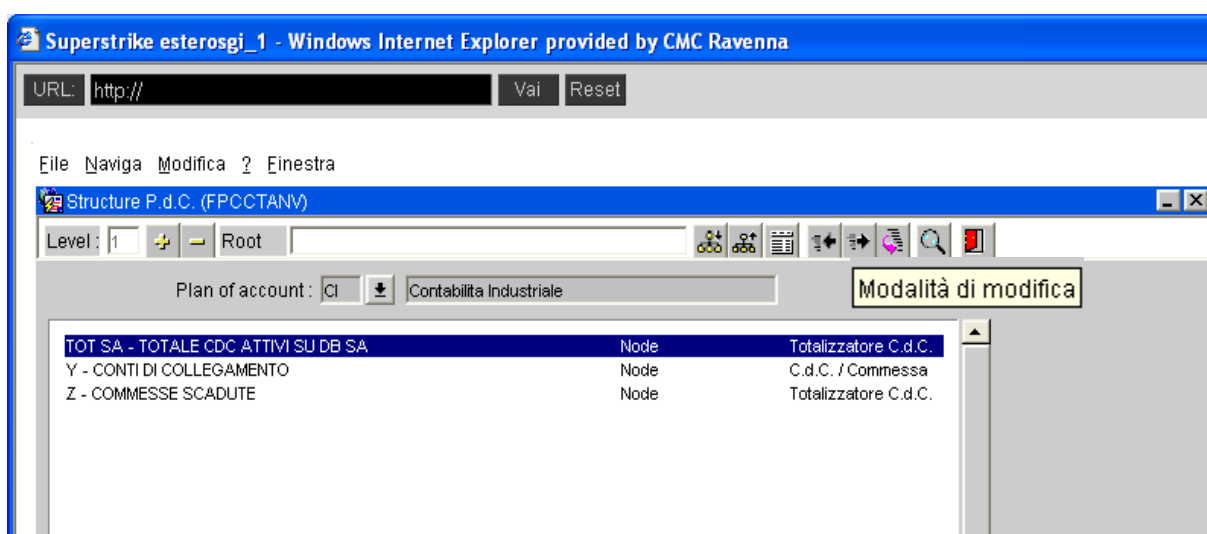
Pay attention : The tree-shape structure of the Chart of Accounts **MUST NECESSARILY** be the result of the cooperation between the jobsite technicians and the accounting department, on the basis of the decisions they have taken about the matter. It is **IMPORTANT** to define it **BEFORE** the structure is integrated into the system.

C.o.A. – Cost Accounting – Chart of Accounts Structure



3

Modify



EXECUTIVE ACCOUNT

Superstrike esterosgi_1 - Windows Internet Explorer provided by CMC Ravenna

URL: http://

File Modifica Blocco Campo Record Ricerca ? Finestra

Executive account (FPCCTA)

P.dei C.: CI Root :

N.Aut. Code	description	Position	Node	Totalizzatore C.d
<u>TOT SA</u>	<u>TOTALE CDC ATTIVI SU DB SA</u>	1	3	Totalizzatore C.d
Y	CONTI DI COLLEGAMENTO	1	1	C.d.C. / Commes:
Z	COMMESSE SCADUTE	1	3	Totalizzatore C.d

The structure underlined **TOT SA – TOTALE CDC ATTIVI SU DB SA Node** (=Total number of active CC on DB SA) **may** be implemented with a **Totalizator** (node which cannot be modified), if for the same project it is necessary to create a tree-shape Cost Accounting structure with more than one cost centre.

The **totalizator** will be used only as an aggregate for the project in case print-outs are required.



(Go to lower level)

OPENING OF NEW ACCOUNTS

Fill in the following fields:

4

Superstrike esterosgi_1 - Windows Internet Explorer provided by CMC Ravenna

URL: http://

File Modifica Blocco Campo Record Ricerca ? Finestra

Executive account (FPCCTA)

P.dei C.: CI Root : TOT SA - TOTALE CDC ATTIVI SU DB SA

N.Aut. Code	description	Position	Node	Totalizzatore C.d
GY	GILLOOLY'S COST	1	4	Totalizzatore C.d
HD	HEAD OFFICE REGIONALE	1	1	C.d.C. / Commes:
HD1000	DIREZIONE GENERALE	1	1	C.d.C. / Commes:
HD1000DG	DIREZIONE GENERALE	1	1	C.d.C. / Commes:
<u>HD1001</u>	<u>DIREZIONE UFFICIO TECNICO</u>	1	1	C.d.C. / Commes:
HD1002	DIREZIONE AMMINISTRATIVA	1	1	C.d.C. / Commes:

Valid from: to: Mov. dal: To:

Reference account:

Type of comme: Technic: Jobsite startin: Jobsite:

Jobsite Address: Invoicing

CODE OR COST CENTRE (which cannot be moved in Cost Accounting): at least 6 characters (on main CMC) for example: HD1001

DESCRIPTION : The description must be identifier and comprehensible (e.g.: Direzione Ufficio Tecnico = Technical Dept. Management)

POSITION : 1 Node (Nodo) – 1 Project Cost Centre (C.d.C/Commessa)

TYPE OF PROJECT : 01 – STANDARD PROFITS (RICAVI STANDARD)

02 – PROFITS FROM GENERAL ACCOUNTING (RICAVI DA COGE PROGRESSIVO)

03 – PROFITS FROM ANNUAL GENERAL ACCOUNTING.....

(RICAVI DA COGE ANNUALE)

TECHNICIAN : Mandatory field identifying the person responsible for each cost centre



(Go further to lower level)

At this point the NODE - PROJECT COST CENTRE (NODO – CDC COMMESSA) becomes the root to which the sub-centres are linked, sub-centres may be accessed only through the cost centre.



N.Aut. Code	description	Position	Sottocentro
<input type="checkbox"/> HD1001000	DIREZIONE UFFICIO TECNICO	3 ↓ Leaf S ↓	Sottocentro ▲
<input type="checkbox"/> HD1001000AB	DIREZIONE UFFICIO TECNICO - A.BACHECA	3 ↓ Leaf S ↓	Sottocentro
<input type="checkbox"/> HD1001010	UFFICIO ACQUISTI	3 ↓ Leaf S ↓	Sottocentro
<input type="checkbox"/> HD1001010AS	UFFICIO ACQUISTI - A.SANTARELLI	3 ↓ Leaf S ↓	Sottocentro
<input type="checkbox"/> HD1001010DM	UFFICIO ACQUISTI - D.MORAJANE	3 ↓ Leaf S ↓	Sottocentro

COST SUB-CENTRES (which may be moved in Cost Accounting) : at least 9 characters (on main CMC) For example: HD1001000

CODE (Node Cost Centre + 3 numbers) = SUB-CENTRE : 000

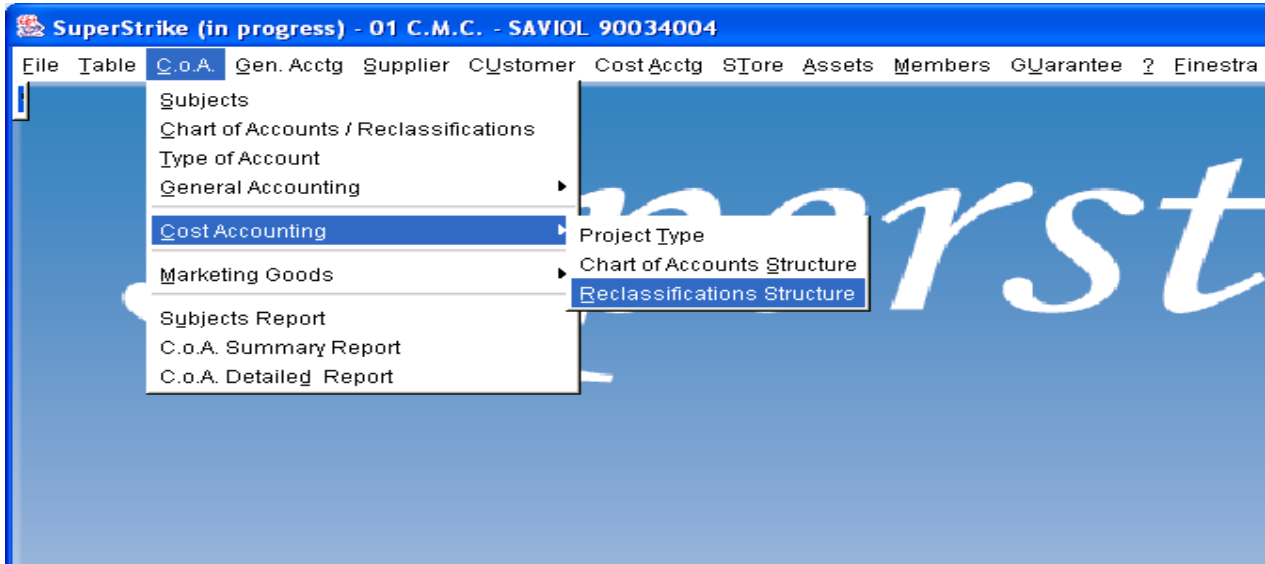
POSITION : 3 Leaf (Foglia) – S Sub-centre (Sottocentro)

The description of sub-centre 000 is always the same as for the cost centre.

The list of sub-centres is unlimited and is part of the tree-shape structure of the Cost Accounting Chart of Accounts.

2. RECLASSIFICATION STRUCTURE (AGGREGATION OF COST CENTRES)

Reclassification is IMPORTANT in order to print economic reports

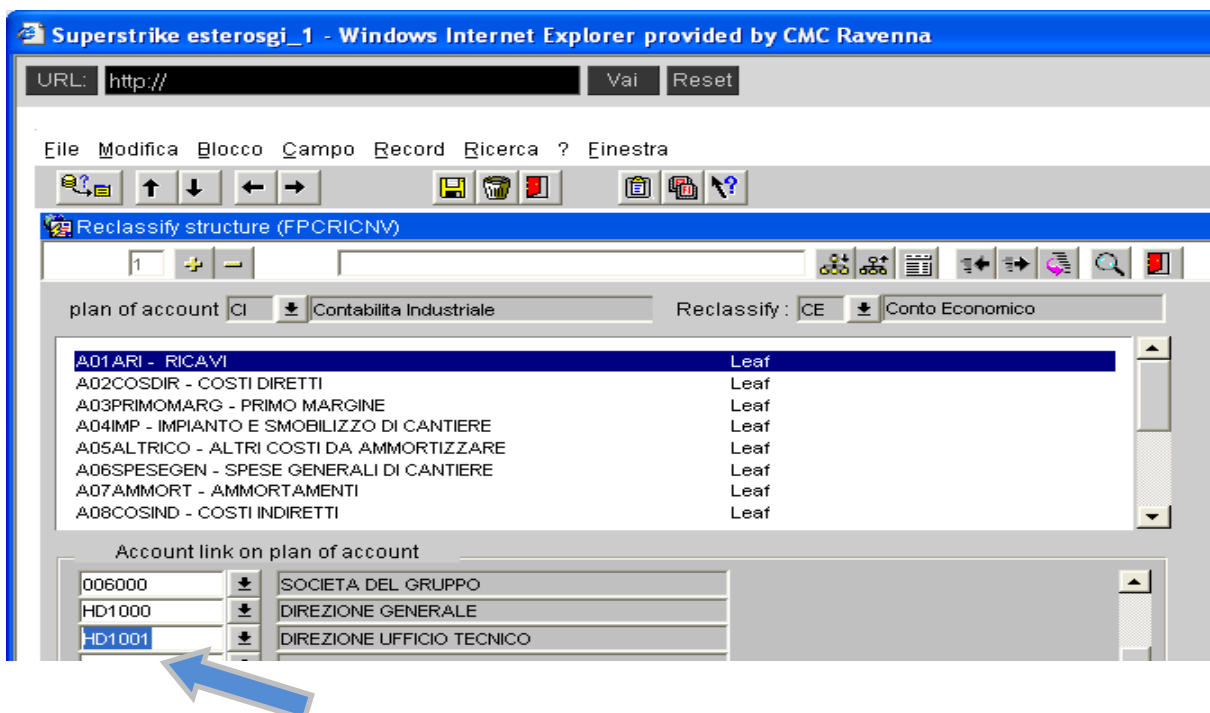


RECLASSIFICATIONS STRUCTURE

Reclassify **CE = Conto Economico (> P.L.A = Profit and Loss Account)**

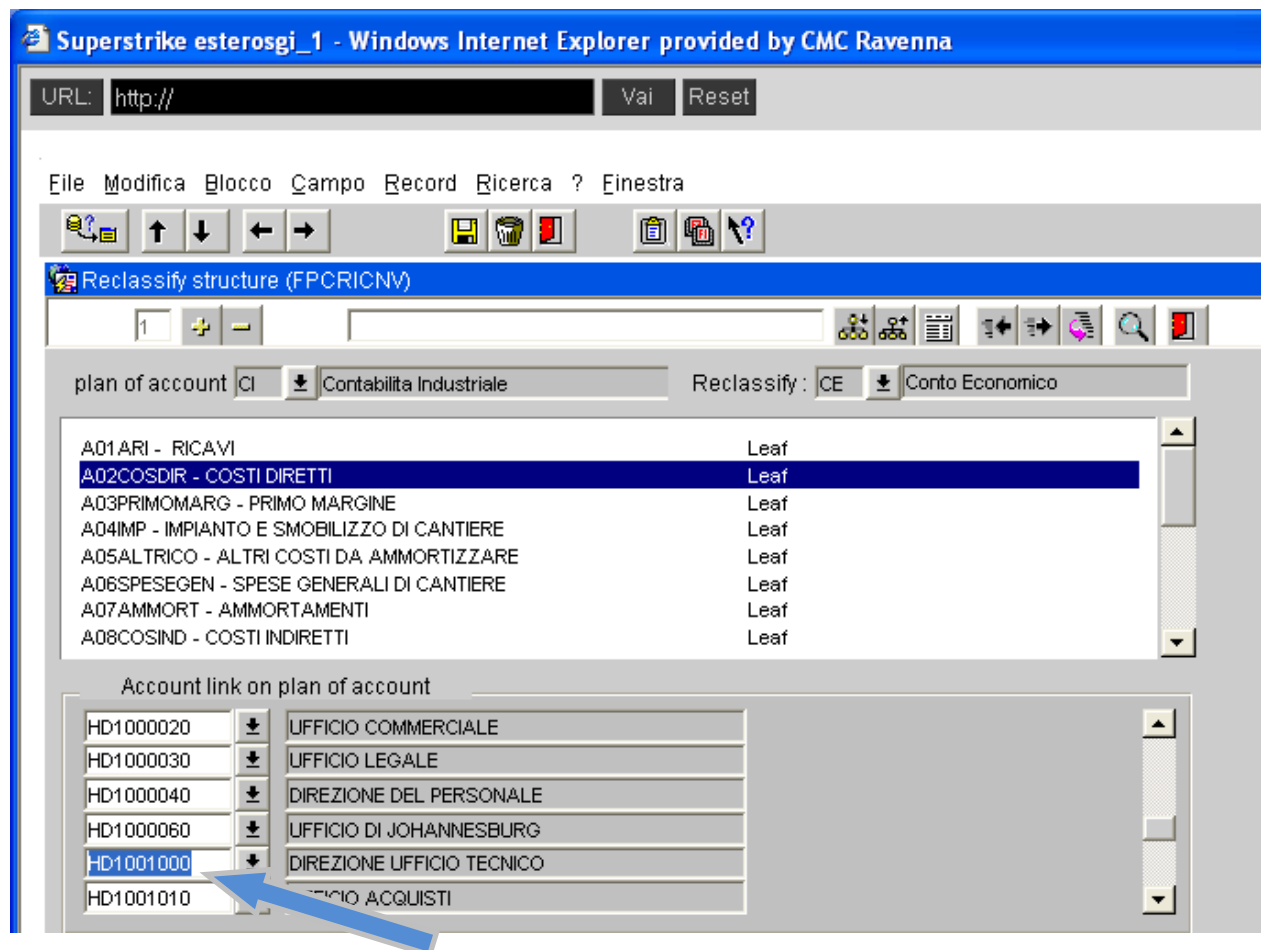
IMPORTANT – Both the opening of new cost centers and the reclassification should be managed by MASTER USERS or SUPERMASTER USERS

EVERY COST CENTRE opened must be RECLASSIFIED as follows :



HD1001 – Code or Cost Centre - Linked to **RICAVI (PROFITS)** in the **account link on plan of account**

EVERY SUB-CENTRE opened must be **RECLASSIFIED** as follows:



HD1001000 – Cost sub-centre – Linked to the leaf **COSTI DIRETTI (DIRECT COSTS)** in the field “Account link on Plan of Account”

Then all the sub-centres will have to be reclassified as follows:

PRODUCTION : they are linked to **COSTI DIRETTI (Direct costs)** (E.g. : 000 – 100 – 101 – 102 or 200 or 300 etc.)

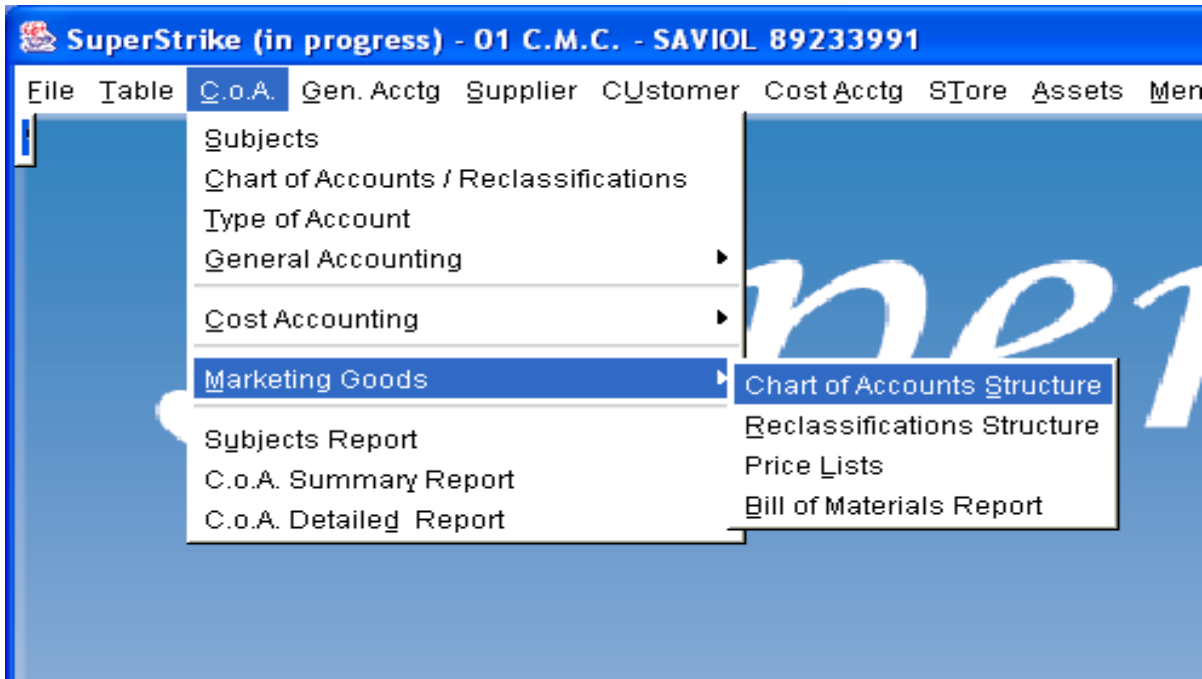
SET UP AND DISMANTLING OF A JOBSITE (Impianto e smobilizzo di un cantiere) (E.g. 600....etc.), **OTHER COSTS TO BE DEPRECIATED (Altri costi da ammortizzare)** (E.g. 700...etc), **GENERAL COSTS (Costi generali)**(E.g. 800...etc), **DEPRECIATIONS (Ammortamenti)** (E.g. 900) : they are linked to their own Leaf

(EXTRAORDINARY MANAGEMENT) (Gestione straordinaria) (E.g. 901), **PATRIMONIAL (Patrimoniale)** (E.g. 902), **FINANCIAL (Finanziaria)** (E.g. 903) : they are linked to **OTHER COSTS (Costi diversi)**

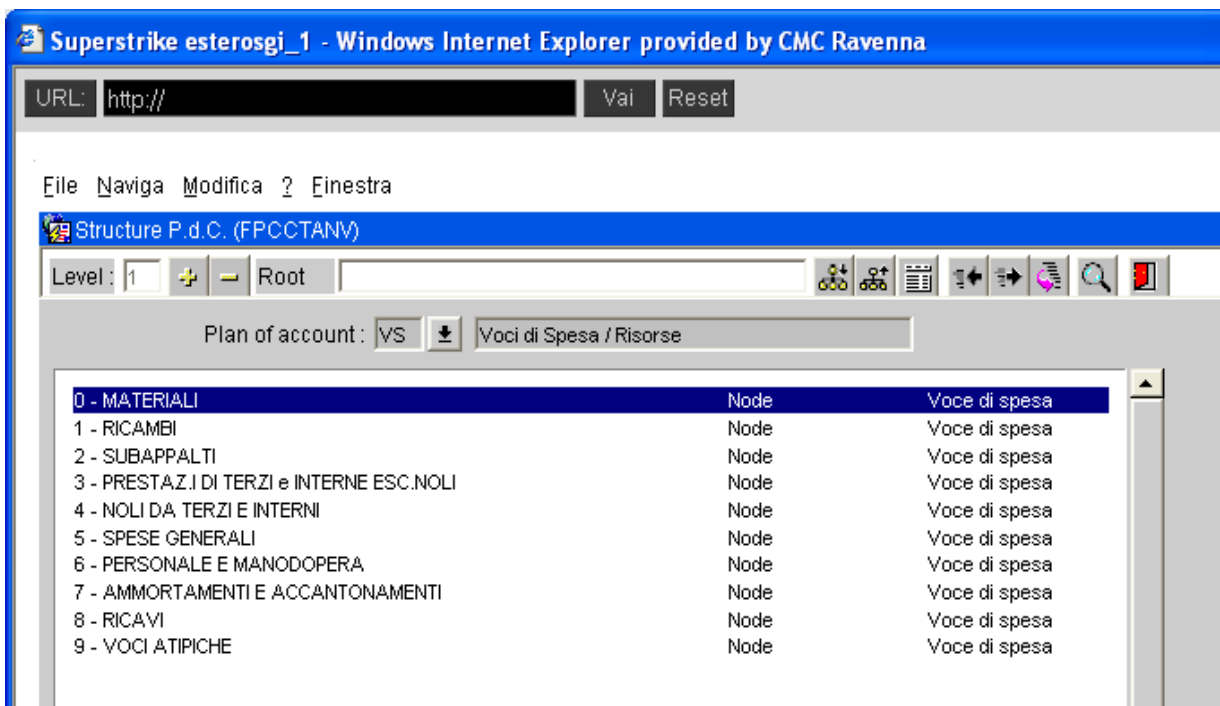
3. CHART OF ACCOUNTS STRUCTURE (OPENING OF NEW EXPENSE ITEMS)

This screen deals with the Cost Accounting expense items.

C.o.A. – Marketing Goods – Chart of Accounts Structure



Plan of Accounts **VS (Voci di spesa > Expense Items)** with ledgers at the **first position** of this screen (they cannot be moved)



Plan of Accounts **VS (Voci di Spesa) (Expense Items)** with ledgers at the **third** position of this screen (they cannot be moved)

N.Aut. Code	description	Position				Sinonimo PICO
<input type="checkbox"/> 001	INERTI	1	Node	V	Voce di spesa	
<input type="checkbox"/> 003	LEGANTI	1	Node	V	Voce di spesa	
<input type="checkbox"/> 005	LATERIZI	1	Node	V	Voce di spesa	
<input type="checkbox"/> 006	COMPRESSOR	1	Node	V	Voce di spesa	
<input type="checkbox"/> 007	ACCIAIO	1	Node	V	Voce di spesa	
<input type="checkbox"/> 008	TEFLON	1	Node	V	Voce di spesa	



(Go to lower level)

N.Aut. Code	description	Position				Sinonimo PICO
<input type="checkbox"/> 00100	INERTI	2	Leaf with det	V	Voce di spesa	
<input type="checkbox"/>						
<input type="checkbox"/>						
<input type="checkbox"/>						
<input type="checkbox"/>						

OPENING OF NEW EXPENSE ITEMS

Fill in the following fields:

CODE (which can be moved in Cost Accounting): minimum 5 numbers

DESCRIPTION: The description must be comprehensible

POSITION: the new expense items may have a **3-leaf structure** (if there is the need to deal with store goods) or a **2-leaf structure with details**.

V=Voce di Spesa (Expense item)

REFERENCE ACCOUNTS: (CG) In this field we state the link between expense item and General Accounting account. The former deals with costs, the latter deals with revenues.

UNIT OF MEASUREMENT



(Go to lower level)

The screenshot shows the Superstrike software interface within a Windows Internet Explorer browser. The main window is titled 'Executive account (FPCCTA)'. The 'P.dei C.' is set to 'VS' and the 'Root' is '00100 - INERTI'. A table lists several accounts, with '00100002 CRUSHED STONE' selected. The table columns are N.Aut. Code, description, Position, and Sinonimo PICO. Below the table, there are fields for 'Valid from', 'to', 'Mov. dal', and 'To'. The 'Reference account' section shows 'CG' selected and a value of '1201010'. The 'Measure unit' is set to 'm3' (Metri cubi - Cubic meters). At the bottom, there are buttons for 'Factor to conver', 'Synonym', 'Anag. Store', 'Giac. Warehouse', 'List of base', and 'Machine'.

N.Aut. Code	description	Position	Sinonimo PICO
00100000	SAIBRO	4 Detail R Risorsa	
00100001	BUILDING SAND	4 Detail R Risorsa	
00100002	CRUSHED STONE	4 Detail R Risorsa	
00100003	RIVER SAND	4 Detail R Risorsa	
00100004	STONE 19MM M3 6	4 Detail R Risorsa	
00100005	6 M3 BUILDING SAND DEL.	4 Detail R Risorsa	

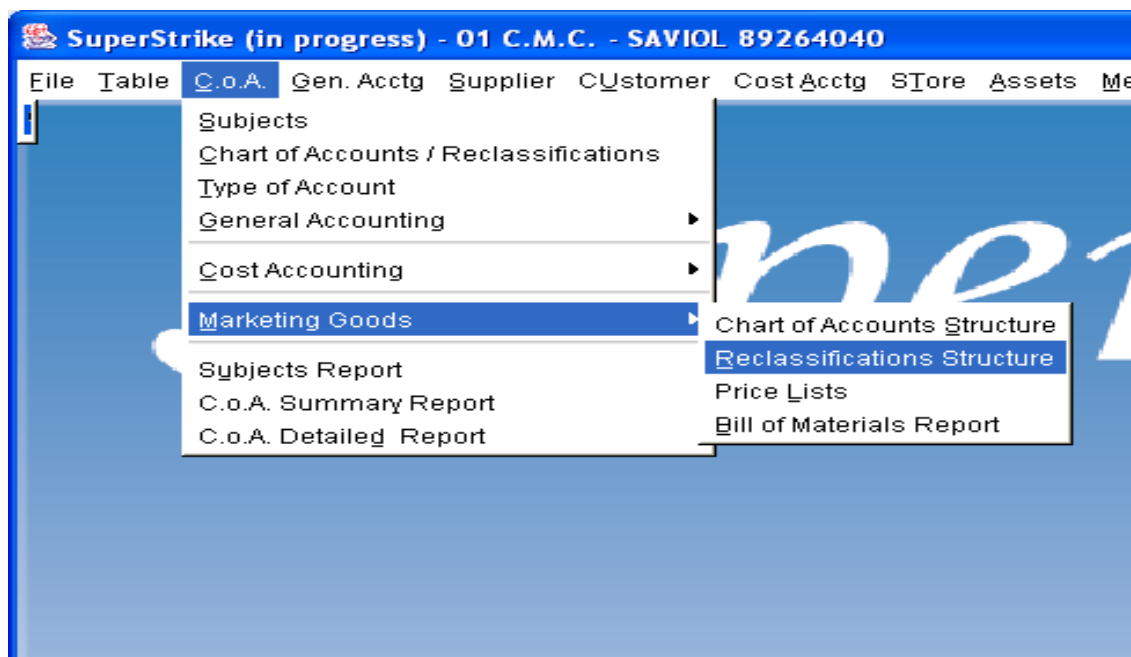
CODE of the good : 8 numbers (which can be moved from store)

POSITION of opening becomes **4**, Dettaglio (Detail) **R** Risorsa (Good)

UNIT OF MEASUREMENT

4. RECLASSIFICATIONS STRUCTURES (AGGREGATION OF EXPENSE ITEMS)

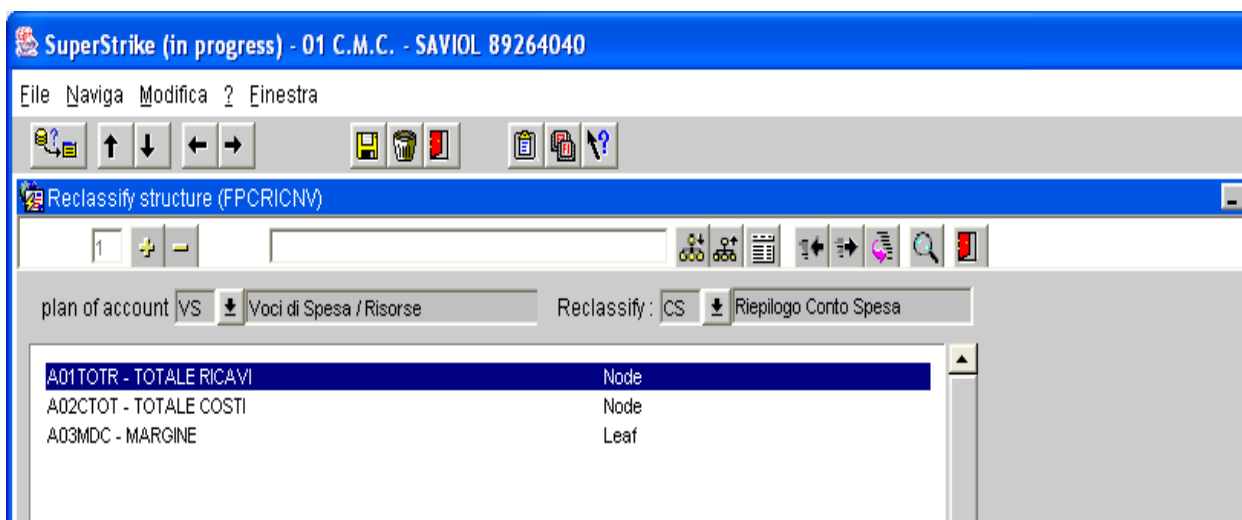
Reclassification is IMPORTANT in order to print economic reports



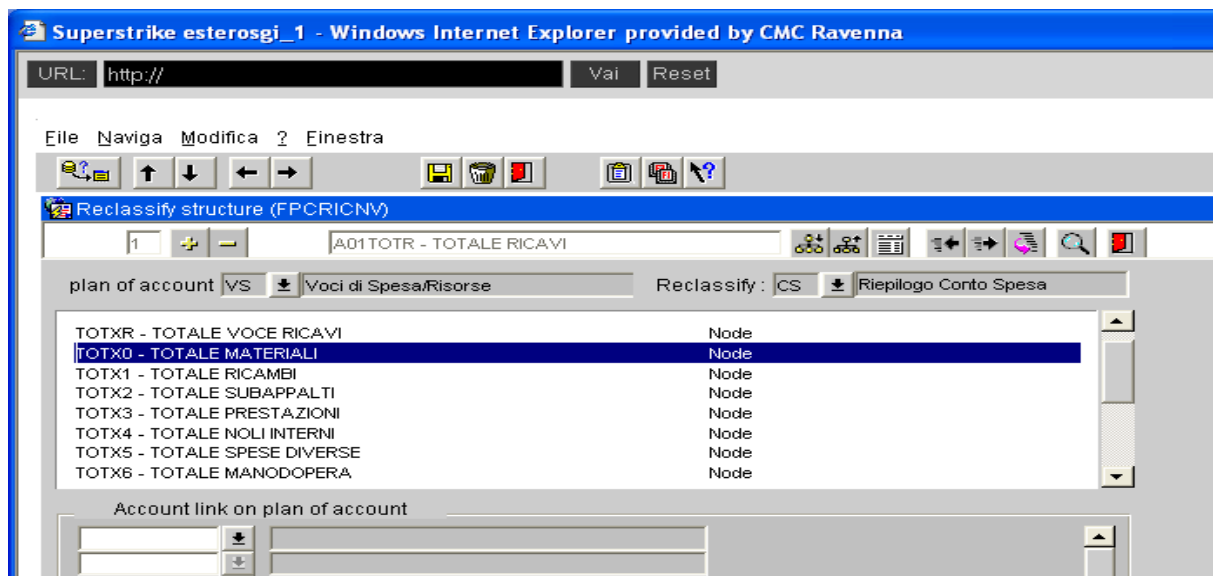
RECLASSIFICATIONS STRUCTURE

Reclassify **CS=Voci di Spesa (Expense items)**

EACH EXPENSE ITEM opened must be **RECLASSIFIED** as follows :



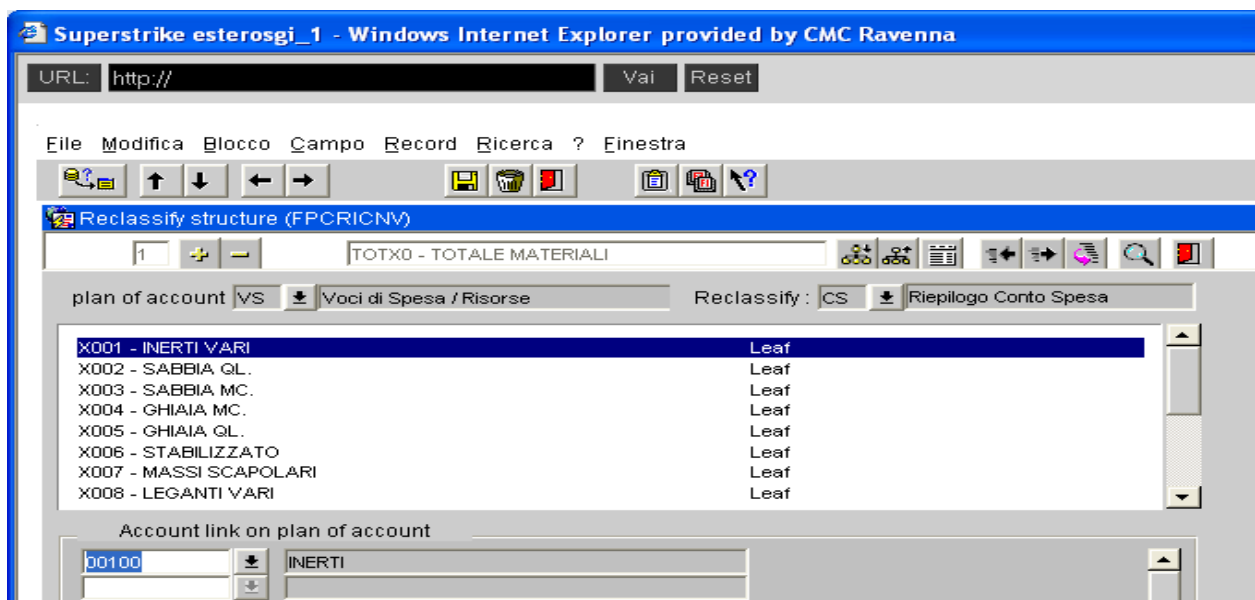
(Go to lower level)



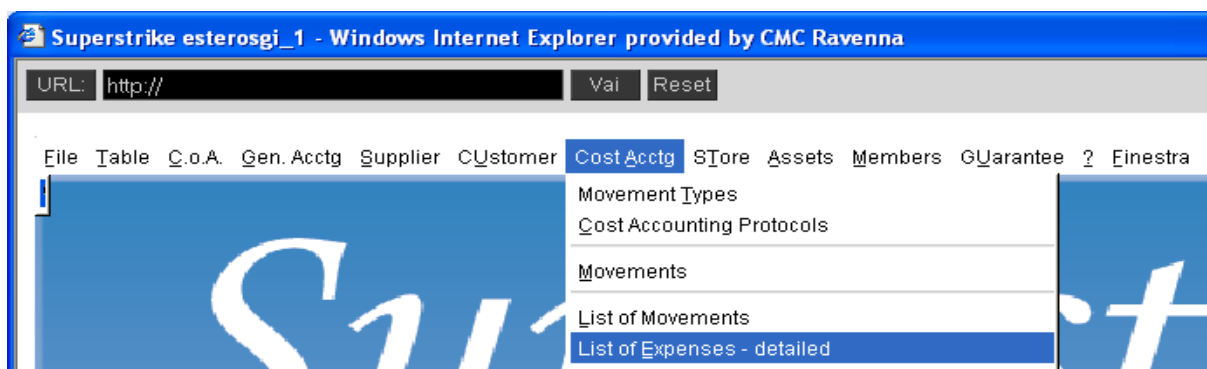
In each Node, Materials (materials), Ricambi (spare parts), Prestazioni (services, etc.) the new expense item may be reclassified as follows:



(Go to lower level)

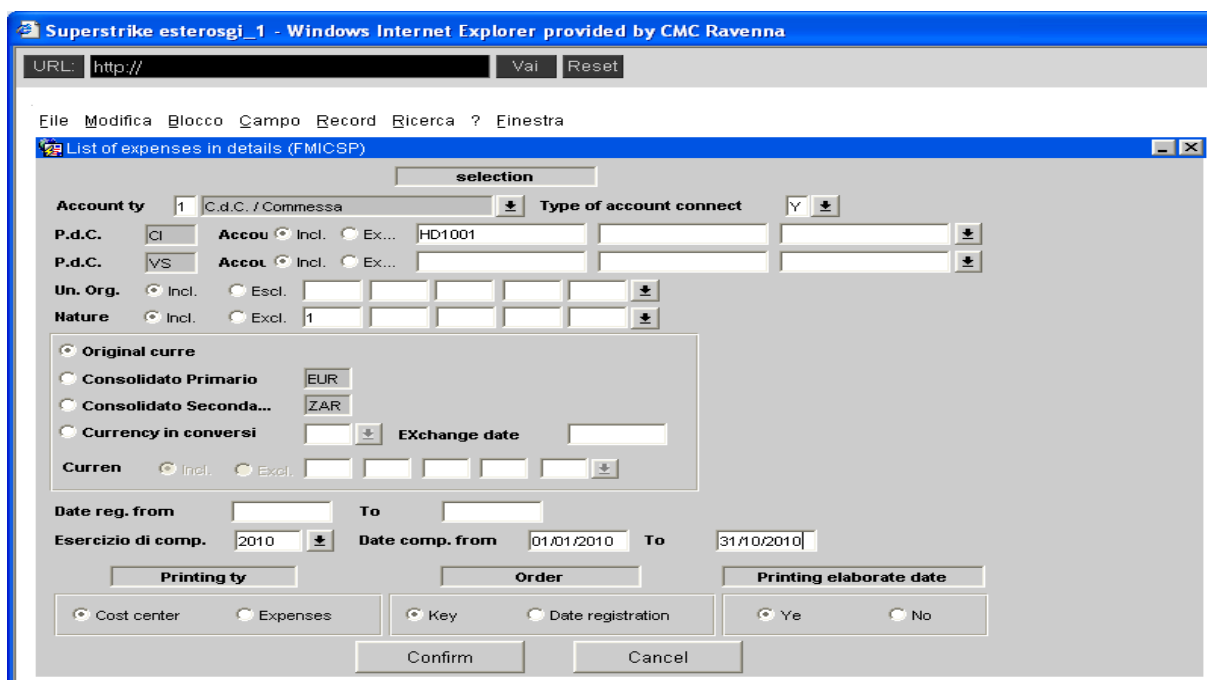


5. PRINT-OUTS IN COST ACCOUNTING (PROCESSING)



List of Expenses - Detailed

This function allows to request all the documents concerning cost centers /sub-centres with the **largest** quantity of details.



13

Description of the fields to be filled in:

Account type : **1** Cdc /Commessa (Cost Centre/Project)

Type of account connection (Tipo Conto Collegamento): **Y** (The Ys are account connections whose movements must be excluded from selection). They are used in case of capitalizations or as counter-item for the reversal of the system's procedures

P.d.C CI (C.o.A. Cost Acctg.) : **Code or cost centre** whose list of expenses (with details) is required

Nature : **1** Sure movements. If this field remains blank, the system also counts temporary or fictitious movements .

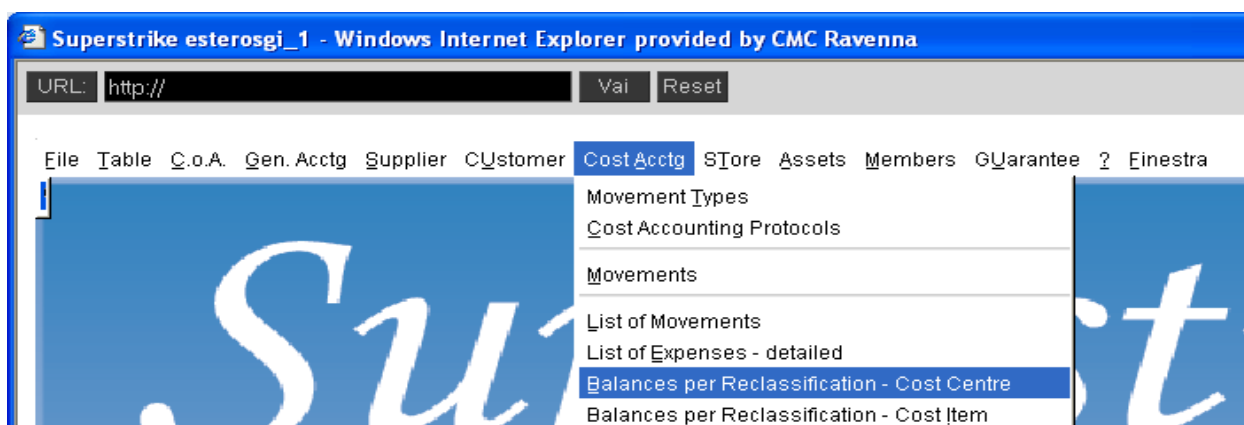
Fiscal Year : **Fiscal year** taken as reference for the list of expenses. If it remains blank, the system processes all the movements which took place during the period going from the beginning of the project to the fiscal period taken as reference.

Date competence from...to : **period of reference** (mandatory) for the list of expenses

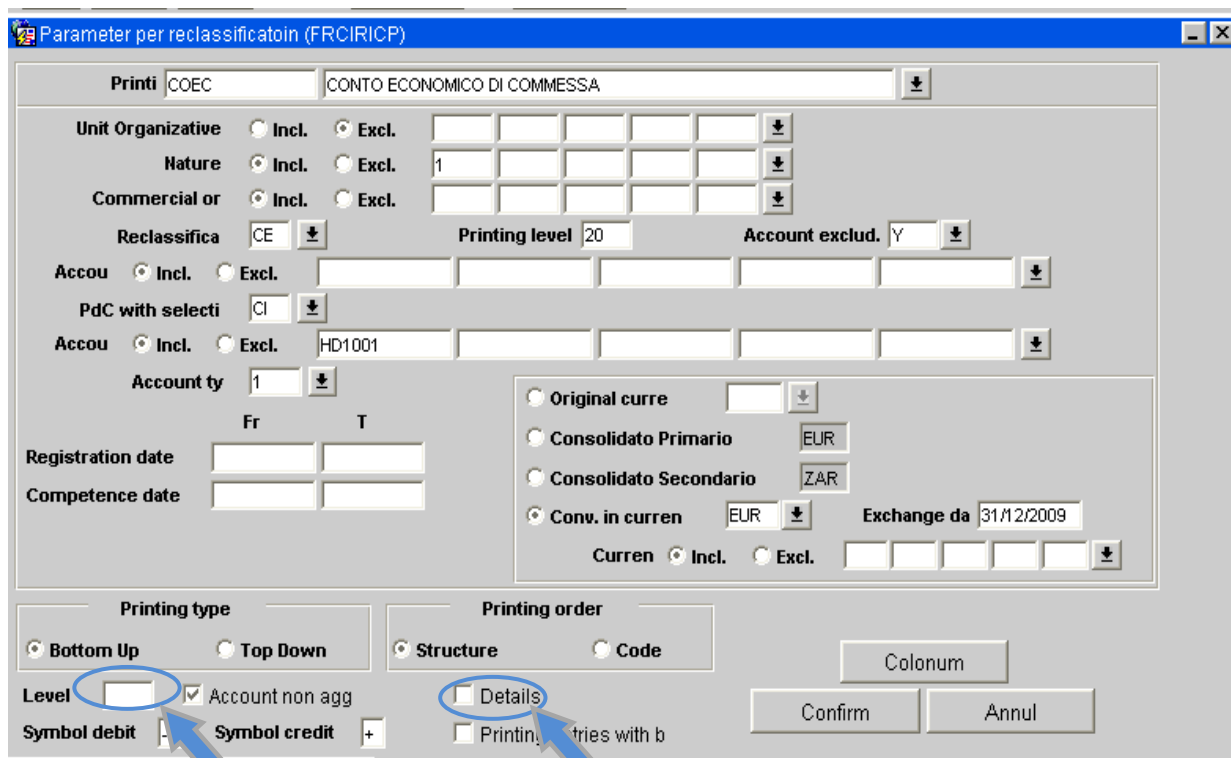
Confirm. OK

Balances per Reclassification – Cost Centre

This function allows to request the **PROFIT AND LOSS ACCOUNT** for a Project/Cost Centre



Description of the fields to be filled in :



It is **IMPORTANT** to note the reclassification of this print-out for the **PROFIT AND LOSS ACCOUNT** – As explained in the previous chapter, **every time a cost centre is opened, it must be aggregated, aggregation allows this kind of processing.**

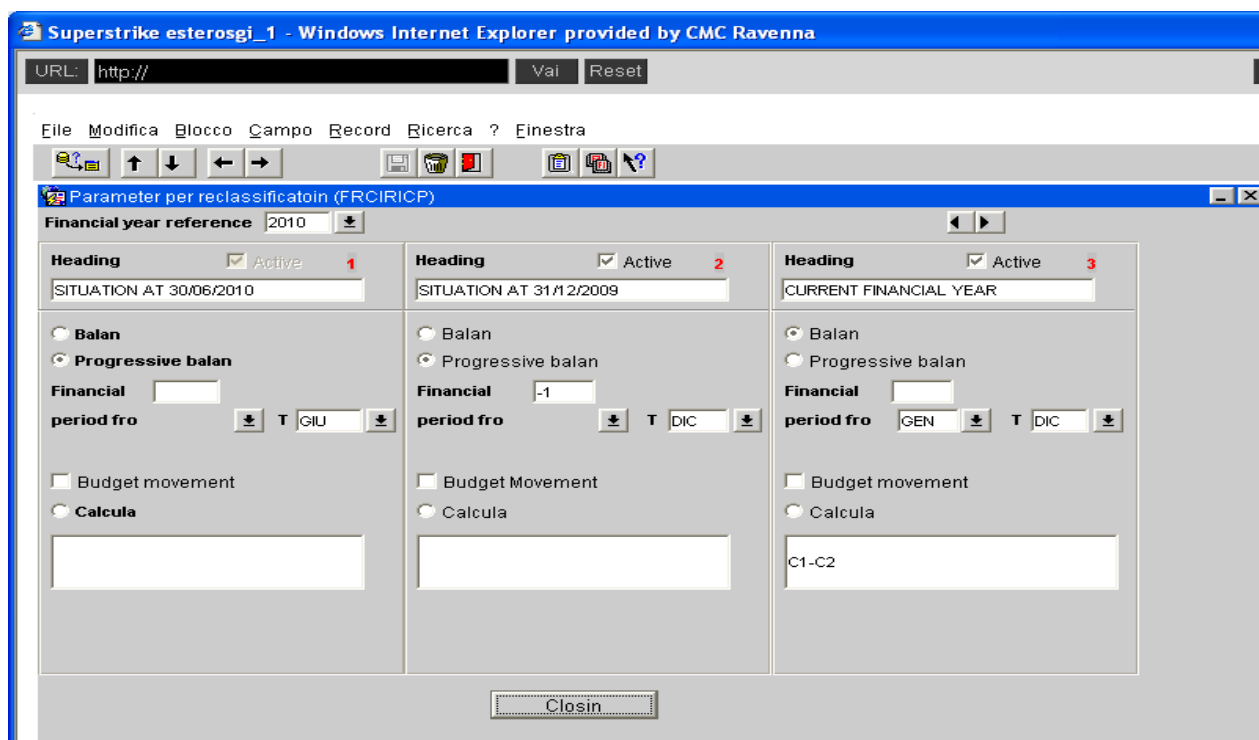
This screen is already set, therefore, you must only fill :

PdC with selection CI (C.o.A. with selection Cost Actg) : Code or cost centre whose profit and loss account is required.

A FLAG in the field “Details” causes the expansion of all the items present in the report.

«Level » : if this parameter field is filled in with 1 or 2, the system reclassifies the degree of expansion of expense items up to the 3rd position rather than to the 5th position.

Click on **Column** and modify the period to request.

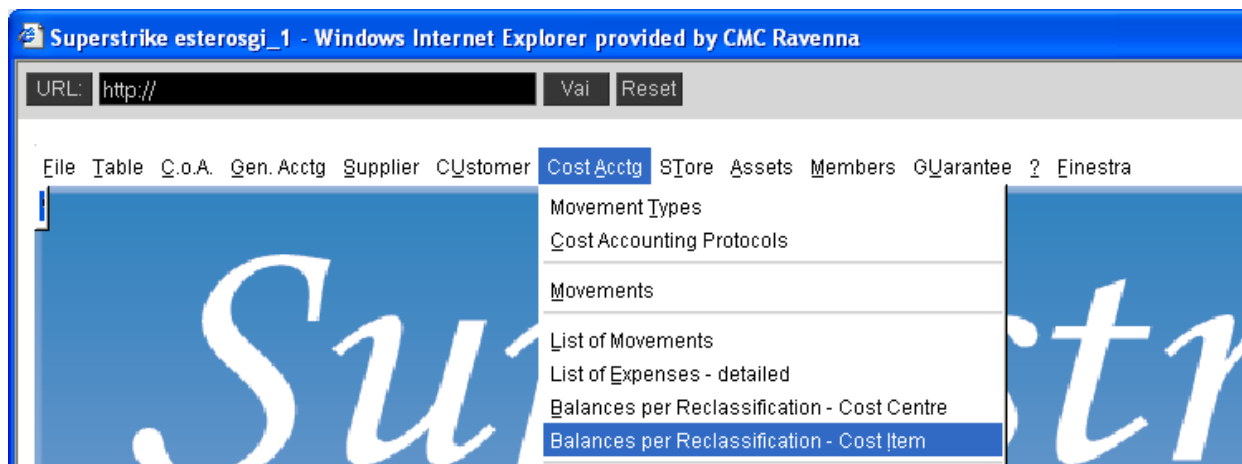


Close

The previous screen is visualized. **Confirm. OK**

Balances per Reclassification – Cost Item

This function allows to process reclassification balances per Cost Item.



There are 2 types of processing :

1-List of expenses Extra Synthesis – LSEX

(analysis per cost centre)

2-List of expenses – Synthesis - LSSI

(analysis per cost sub-centre)

1 – List of Expenses Extra Synthesis LSEX

It is **IMPORTANT** to note the reclassification of this printing **CS** (Summary of the Account Expenses) – As explained in the previous chapter, **every time an expense item(or cost item) is opened, it MUST be aggregated. Aggregation allows this kind of processing.**

Account type **1** shows that the request of this report deals with the cost centre.

The screen is already set, you must only fill in:

P.d.C with selection CI (C.o.A with selection Cost Acctg.): Code or cost centre whose list of expenses extra synthesis is required.

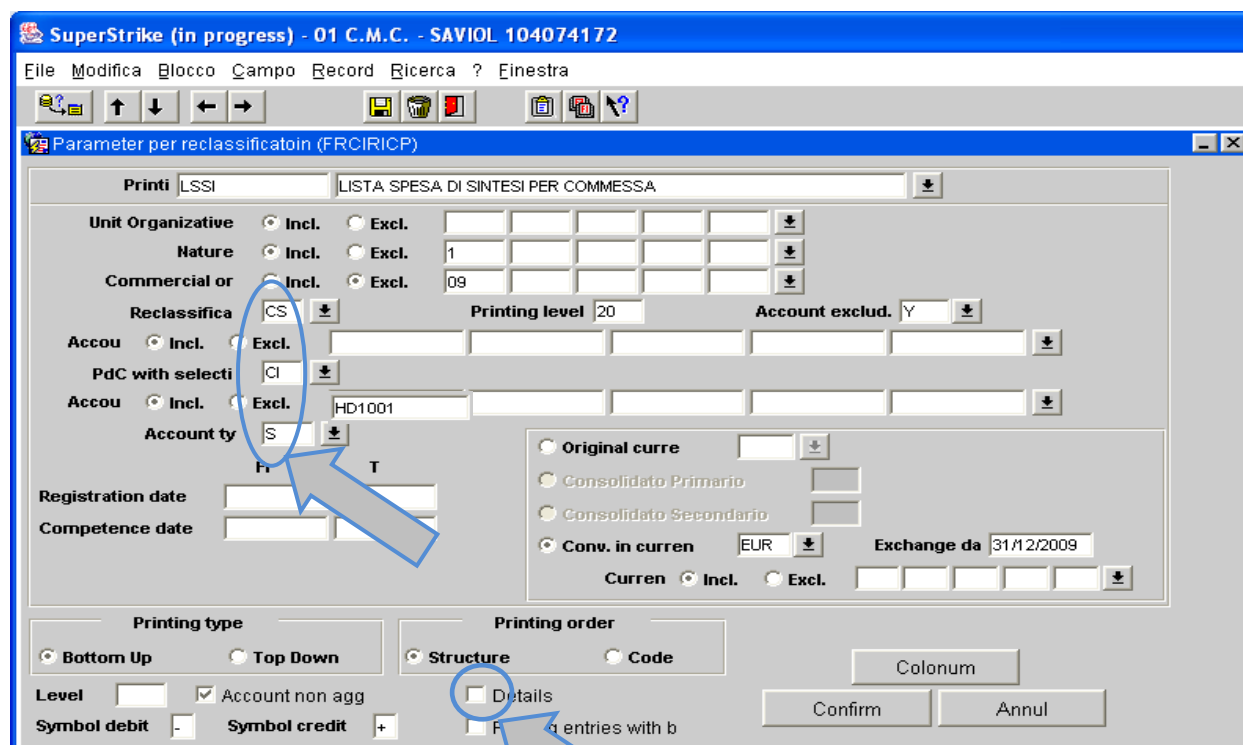
A FLAG on the parameter “Details” causes the expansion of the items present in the report.

Click on **Column** and modify the period to request.

Close

The previous screen is visualized again. **Confirm.** OK

2- List of Expenses – Synthesis LSSI



18

It is **IMPORTANT** to note the reclassification of this print-out **CS** (Summary of Account Expenses – As explained in the previous chapter, **every time an expense item is opened, it MUST be aggregated. Aggregation allows this kind of processing.**

Account type **S** shows that the request of this report deals with the cost sub-centre.

The screen is already set, you must fill in :

PdC with selection CI (C.o.A. with selection Cost Acctg) : **Code or Cost Centre** whose list of expenses extra-synthesis is required

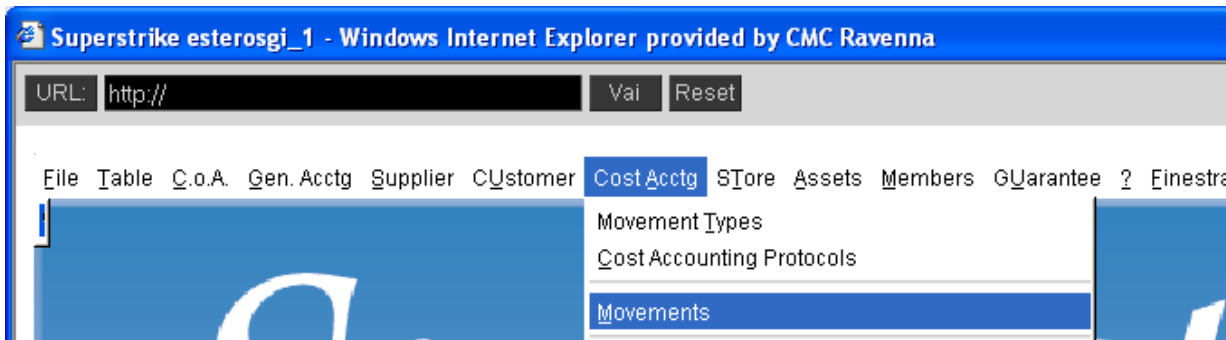
A FLAG on the parameter « Details » causes the expansion of the items present in the report.

Click on **Column** and modify the period to request.

Close.

The previous screen is visualized again. Confirm. OK

6. COST ACCOUNTING MOVEMENTS



There are two movement types whose creation is aimed at rectifying the accounting movements concerning General Accounting or Store

GIRC – Giro conto COSTI (COSTS giro)

GIRR – Giro conto RICAVI (REVENUES giro)

Description of the fields to fill in :

Comm/CdC (Project/Cost Centre) identifies the cost centre (with its own sub-centre) of **ORIGIN**

V.d.S. (Expense Item) indicates the Expense Item attributed to the movements

Val.Unit/ Quantity/Amount: they are in accordance with movements

P/D identifies the cost centre (and its own sub-centre) of **DESTINATION**

Description : The description must present all the references concerning the item rectified.