

Date  
01/02/2025

B.Com Part III  
(Corporate Cost Accounting)

Ch-1 Cost Accounting Meaning, Importance & Evaluation

\* Meaning of Cost Accounting -

Cost accounting is the classifying, recording and appropriate allocation of expenditure for the determination of the costs of products or services and for the presentation of suitably arranged data for the purpose of control and guidance of management.

Compared with financial accounting, cost accounting is relatively a recent development. In fact, cost accounting started as a branch of financial accounting but now it is regarded as a system in its own right.

Cost Accounting is defined as a system of recording in accounts the material used and labour employed in the manufacture of certain commodity or on a particular job. In brief, cost accounting is a system of determining the cost of products or services.