

Module title	<b>ACCOUNTING 102 Managerial Accounting</b>
Module Tutor	<b>Costas Klimis, PhD</b>
Module Level	<b>4</b>
Course delivery type	<b>Taught</b>
Notional Learning Hours	<b>150</b>
Credit Value	<b>15</b>

### **Rationale of the course within the degree scheme/Prerequisites/other entry requirements**

Managerial Accounting is a second year course which equips students to be able to analyse and interpret financial data that they learned to develop from the Financial Accounting course and prepares them for the Financial Management course. It is a required course for business students.

### **Aims of the module**

This course is designed to give insight into the interpretation and use of financial accounting data for management planning, coordination and control. Students are exposed to the kind of accounting information needed, where this information can be obtained, and how this information can be used by managers as they carry out their planning, controlling, and decision-making responsibilities.

### **Indicative content**

Cost concepts, cost-volume-profit relationships, variable costing, activity-based costing, profit planning, flexible budgets and performance analysis, standard cost variances, performance measurements, differential analysis

Week 1

- An Overview of Managerial Accounting (planning, controlling, decision making)

Week 2

- Ethical concepts and Corporate Social Responsibility Issues-articles

Week 3

- Cost Classifications
- Product Costs Vs. Period Costs
- Costs for Predicting Cost Behaviour
- The Analysis of Mixed Costs
- Traditional and Contribution Format Income Statements

Week 4

- Case study & video discussion on opportunity costs of make/buy decisions
- Problem solving utilizing cost concepts learned in class

Week 5

- Cost-Volume-Profit Relationships and Cost Structures
- Target Profit and Breakeven Analysis
- Problem solving utilizing cost-volume-profit concepts

Week 6

- Case studies & video discussion on cost-volume-profit analysis

Week 7

- Variable Costing and Absorption Costing
- Reconciliation of Variable Costing with Absorption Costing Income
- Segmented Income Statements and the Contribution Approach

Week 8

- Problem solving concerning variable and absorption costs
- Midterm Exam

Week 9

- Profit Planning
- Preparing the Sales and Production Budgets
- Preparing Direct Materials, Direct Labour and Manufacturing Overhead Budgets
- Selling and Administrative Expense Budgets

Week 10

- Cash Budgeting
- Cash Budgeting Mini-Case Study
- Flexible Budgets

Week 11

- Budget analysis practice
- Problem solving & video discussion on budgeting
- Internet exercises

Week 12

- ABC Costing Mini- Various Exercises utilizing ABC Costing
- Setting the Stage for Standard Costs

Week 13

- A Model for Standard Cost Variance Analysis
- Using Standard Costs – Direct materials Variance
- Using Standard Costs – Direct Labour Variances
- Using Standard Costs – Variable Manufacturing Overhead Variances

Week 14

- Performance Management in decentralized Organizations
- Responsibility Accounting- differential analysis
- The concept of relevant costing in decision making
- Practice and problem solving in differential analysis

Week 15

- Final Exams

<b>Pre-requisite modules or specified entry requirements</b>
ACC 101 Financial Accounting and MNGT 101 Introduction to Management

**Intended Learning Outcomes**

<b>A. Knowledge and understanding</b>	<b>Learning and teaching strategy</b>
<p><i>At the end of the module, learners will be expected to:</i></p> <p><b>A1</b> : Explain the environment in which managerial accounting information is used</p> <p><b>A2</b> : Describe how a manager can use managerial accounting information to assist them in planning, controlling operations, and making decisions.</p> <p><b>A3</b>: Identify cost behaviour and how the use of alternative cost estimation methods can be used to separate costs into their fixed and variable components.</p> <p><b>A4</b>: Describe cost-volume-profit</p>	<p>Lecture, Power Points, mini-cases, exercises, videos, current articles, exams, role play, class discussions, course readings, video discussions, internet exercises &amp; article presentations</p> <p>Lecture, Power Points, exercises, course readings, exams</p> <p>Lecture, Power Points, exercises, course readings, exams</p>

A. Knowledge and understanding	Learning and teaching strategy
<p>relationships and its components</p> <p><b>A5:</b> Demonstrate the difference between variable and absorption costing in product costing and income determination and understand the advantages and limitations of each</p> <p><b>A6:</b> Identify cost standards and their application</p>	<p>Lecture, Power Points, exercises, course readings, exams</p> <p>Lecture, Power Points, exercises, exams</p> <p>Lecture, Power Points, exercises, exams</p>
B. Cognitive skills	Learning and teaching strategy
<p><i>At the end of the module learners will be expected to:</i></p> <p><b>B1:</b> identify and explain basic cost components of production costs; explain the flow of manufacturing costs through inventory accounts as reflected in the cost of goods manufactured and sold statements.</p> <p><b>B2:</b> identify and explain cost classifications such as period and product costs, direct and indirect costs, variable and fixed costs, differential costs, opportunity costs, and sunk costs.</p> <p><b>B3:</b> be able to explain and analyze an income statement</p> <p><b>B4:</b> combine information so as to prepare budgets such as the master budget plan.</p>	<p>Lecture, Power Points, exercises, exams</p> <p>Lecture, Power Points, exercises, exams</p> <p>Lecture, Power Points, exercises, exams</p> <p>Lecture, Power Points, exercises, exams</p> <p>Lecture, Power Points, exercises, exams</p>
C. Performance and practical skills	Learning and teaching strategy
<p><i>At the end of the module, learners will be expected to:</i></p> <p><b>C1:</b> improve analytical accounting skills, compute and use breakeven analysis and degree of operating leverage and synthesize a contribution income statement, as well as estimations needed for the construction of cash budgets, budgeted income statements, and balance sheets.</p> <p><b>C2</b> improve self-management skills</p>	<p>Exams, assignments, and exercises Meeting assignment deadlines</p> <p>Presentation skills</p>
D. Personal and enabling skills	Learning and teaching strategy

A. Knowledge and understanding	Learning and teaching strategy
<p><i>At the end of the module, learners will be expected to:</i></p> <p><b>D1</b> : improve analytical, problem solving capabilities</p>	<p>Class discussions, exercises, Case Analysis            Numerous group exercises            Quizzes, Exams, Homework problems, in-class problem solving exercises, video discussions, internet exercises &amp; article presentations</p>

To measure progress toward fulfillment of these outcomes, students will be required to complete the following assessments:

Assessment Strategy/Assessment Methods	Relative weightings
<p>Assessment strategy relates to in class examination with regards to answering questions and/or cases that require understanding, analytical thinking and evaluation of the topics covered.</p> <ul style="list-style-type: none"> <li>- Midterm</li> <li>- Final Exam</li> <li>- A case to be analyzed</li> <li>- Presentation of an article or an internet assignment i.e. Perform an Internet search using the term, break-even point, and locate an article (less than one year old) from the results of your search. Make a small presentation in class of the main findings of the article.</li> </ul>	<p>30% 35% 25% 10%</p>

Assessment tasks	A1	A2	A3	A4	A5	A6	B1	B2	B3	B4	C1	C2	D1
Midterm Exam	*	*	*	*			*	*	*	*	*		*
Final Exam	*	*	*	*	*	*	*	*	*	*	*		*
Case analysis	*	*	*				*	*			*		*
Presentation of an article or an internet assignment	*	*	*				*	*			*	*	*

### Class Participation, New Absence Policy (effective Fall 2019) and Plagiarism Statement

Students are expected to attend and participate in all of their courses throughout the term, including the first week. Those who fail to do so may be administratively withdrawn from individual courses of the College. This may affect the students' scholarship and financial aid eligibility.

A student is considered to have successfully attended a course if s/he has attended 75% of the course lectures. A student is considered to have successfully attended a course if he/she has attended 75% of the course lectures. **Thus, for a typical ACT course with 42 hours of contact time, the maximum number of absences stands at 10 hours per course.** This policy applies to all ACT students, degree-seeking and Study Abroad. Please note that absences are counted on an hourly basis. Absences due to participation in school-related trips and activities may count toward this limit.

During class time students are expected to participate in formative tasks such as structured class discussions on videos that will be shown in class, or present short articles on relevant topics as well as in-class exercises. Instances of cheating or plagiarism will not be tolerated. Plagiarism is the act of stealing or using the ideas or writings of another person and passing them off as one's own. A student committing an act of academic dishonesty in a given course will receive an F (0 percentage points) in the assignment where the academic infraction took place. If a student commits an act of academic dishonesty for a second time in the same course, this student will receive a failing grade in that course.

### Special Accommodations

If you have specific physical, psychological, or any other learning disabilities that you believe may require accommodations for this course, you should visit the Dean's office by bringing the appropriate documentation.

The Writing Center (1st floor, Bissell Library) is staffed by experienced English faculty and the tentative operating hours will be: MWF: 11:00 am--1:00 pm, and T Th: 10:30 am--1:30 pm. You are encouraged to use its services.

9. Teaching staff associated with the module	
Tutor's name and contact details	Contact hours
Costas Klimis	Mo: 4-5 pm
cosklim@act.edu	Anytime with appointment

### Reading Lists

#### Key reading list

Author	Year	Title	Publisher	Location
Garrison 2e – Managerial Accounting, MEE	2015	Managerial Accounting & the Business Environment	Mc-Graw-Hill	e-book

#### 11. Other indicative text (e.g. websites)

Current managerial accounting articles are provided by the professor during the semester. Also a series of videos will be shown and students will be able to select from a list of internet exercises to explore and present briefly their findings in class.

Articles or small internet exercises will be selected by students to present in class. The internet exercises aim to familiarise students in doing a small research for an academic or business topic, relevant to the taught material.