

INSTITUTE OF BUSINESS & MANGEMENT (IB&M)
UNIVERSITY OF ENGINEERING AND TECHNOLOGY (UET), LAHORE

COURSE OUTLINE

Course: Managerial Accounting
Semester: 4th
Credit Hours: 3
Instructor: Quratulain Akhtar

Course Code: MGT 241
Class: BBA (Hons) 2018
Total hours: 16*3= 48
Pre-requisite: Financial
Management
E-mail: **HYPERLINK**
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Counselling Hours:
Thursday-Friday, 09:00-11:00am

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Course Introduction:

This course will examine and develop knowledge and understanding of the principles, techniques, and uses of accounting in the planning and control of business from a management perspective. The course will present methods of preparing management accounting information and analyzing the benefits of various sources of management finance opportunities. Managerial accounting is the business internal language which identifies budgetary process and related performance evaluation techniques, cost-volume-profit analysis, product costing methods such as Activity Based Costing (ABC) and related theory and its application.

LEARNING OBJECTIVES (CLO'S)

Upon successful completion of this course, the student will be able to:

Understand managerial accounting roles and its objectives and to prepare various costing schedules, cost classification, behavior, and type.

Apply and analyze accounting procedures for manufacturing business and different types of activity-based management tools such as job order costing system and ABC costing.

Explain the purpose and application of process costing system, calculation, journalize and allocation of cost of transactions in service and manufacturing process

Analyze cost-volume-profit techniques to determine optimal managerial decisions. Prepare analyses of various special decisions, make or buy using relevant costing and benefits such incremental analysis.

Describe the basic approaches to budgeting and relations among the elements of master budget to develop basic budget.

Perform cost variance analysis and demonstrate the use of standard costs in flexible budgeting.

Sr#	Course Learning Objectives	Link with Program Learning Objectives
1.	Understand managerial accounting roles and its objectives and to prepare various costing schedules, cost classification, behavior, and type.	Demonstrate competency in the underlying concepts, theory and tools taught in the core curriculum. Identify and analyze ethical conflicts and social responsibility issues involving different stakeholders.
2.	Apply and analyze accounting procedures for manufacturing business and	Apply appropriate quantitative and qualitative techniques in solving business problems.

	different types of activity-based management tools such as job order costing system and ABC costing.	Identify and analyze relevant global factors that influence decision-making.
3.	Explain the purpose and application of process costing system, calculation, journalize and allocation of cost of transactions in service and manufacturing process	Apply appropriate quantitative and qualitative techniques in solving business problems. Develop viable alternatives and make effective decisions in an international business setting. Write effective business documents
4.	Analyze cost-volume-profit techniques to determine optimal managerial decisions. Prepare analyses of various special decisions, make or buy using relevant costing and benefits such incremental analysis.	Develop viable alternatives and make effective decisions relating to business ethics and social responsibility. Use analytical and reflective thinking techniques to identify and analyze problems, develop viable alternatives, and make effective decisions.
5.	Describe the basic approaches to budgeting and relations among the elements of master budget to develop basic budget.	Demonstrate competency in the underlying concepts, theory and tools taught in the core curriculum. Prepare and deliver effective business presentations using a variety of appropriate

		technologies
6.	Perform cost variance analysis and demonstrate the use of standard costs in flexible budgeting.	Use analytical and reflective thinking techniques to identify and analyze problems, develop viable alternatives, and make effective decisions. Apply appropriate quantitative and qualitative techniques in solving business problems. Develop viable alternatives and make effective decisions in an international business setting.

TEXT/REFERENCE BOOKS:

Financial & Managerial Accounting, **Meigs and Meigs** latest edition.

Financial & Managerial Accounting, **Williams, Haka, Bettner: 15th** Edition, Prentice Hall

Introduction to Management Accounting by- **Charles T. Horngren, Gary L. Sundem, William O. Stratton, Dave Burgstahler, Jeff O. Schatzberg**, latest edition

Reference Book:

ACCA Paper F2, Management Accounting, Foundation in Accountancy

Detailed Weekly Plan

BBA-2016

Week no.	Topics to be covered in the course	Learning Objective of this topic	Expected Outcomes from Students	Link with course learning objectives	Teaching Method	Assessment Criteria
1	Management Accounting-A business partner	<p>Would be able to explain the three principles guiding the design of management accounting systems.</p> <p>Understand the basic types of manufacturing cost.</p> <p>Distinguish between direct and indirect manufacturing costs, product and period costs and purpose of overheads application rate and preparation of schedule for CGS and finished products</p>	<p>Ought to describe who's the decision making authority over company's assets and what management accounting information needed to support planning and decision making, monitoring, evaluating and rewarding performance</p> <p>Should be able to classify direct and indirect manufacturing costs, appropriate allocation of overheads for finished products and prepare statements for CGS and finished</p>	<p>Understand managerial accounting roles and its objectives and to prepare various costing schedules, cost classification, behavior, and type.</p>	Lecture Group discussion	Class Activity Practice questions Assignment

			products.			
			Understand the importance of Stakeholders in business			

□□2.□□

3.□□□□	Job order costing system and overheads allocation	<p>Understand the purpose of cost accounting systems</p> <p>Able to differentiate among the processes for creating goods and services that are suited to job order costing, process costing, and activity-based costing.</p> <p>Able to explain the purpose and contents of job order costing and ABC and</p>	<p>Should be able to provide useful information for managing activities that consume resources and how cost information reported to external financial statements e.g CGS, Inventories and period costs.</p> <p>□□Ought to apply appropriate methods either for customized jobs such as job order costing or used</p>	<p>Apply and analyze accounting procedures for manufacturing business and different types of activity-based management tools such as job order costing system</p>	<p>□Lecture□Group Discussion</p>	<p>Class Activity Practice questions □Assignment</p>
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		<p>flow of costs when using these approaches and demonstrate how overhead costs are assigned to production process</p> <p>Define and demonstrate how activity bases are used to assign cost pools to units produced.</p> <p>□ □</p>	<p>to track resources that are not directly traceable to product and overhead items are typically focus such as activity base costing where require differing amount of direct and indirect manufacturing costs.</p> <p>□ □ Comprehensive to explain the purpose of job cost sheet to keep tracing of manufacturing costs relating to particular job and job in process □ □ Understand what should be the costs flow from the Direct Labor account, the Direct Materials Inventory account, and the Manufacturing Overhead account into</p>	<p>and ABC costing.</p> <p>Explain the purpose and application of process costing system, calculation, journalize and allocation of cost of transactions in service and manufacturing process</p>		
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			the Work in Process Inventory account and Costs associated with beginning WIP and costs added to work in process for the current period is pooled for each significant input.			
4.						
5.						
6.	Process costing	Should be able to define the purpose and contents of process costing and account for the flow of costs when using it. Should be able to demonstrate	Should be able to differentiate the normal and abnormal loss within the process of manufacturing , their accounting treatment and comprehend	<input type="checkbox"/> Lecture Group Discussion Class activity	Assignment Practice Questions	

		<p>how costs are assigned to equivalent units using process costing.</p> <p><input type="checkbox"/> Should be able to determine the methods to allocate and accumulate materials, labour and factory overhead costs to process cost centers.</p>	<p>over the continuous production passing two or more processes</p> <p>Able to apply appropriate steps in calculating cost per unit and equivalent units associated with the units transferred out are multiplied by the cost per equivalent unit to determine the amount of cost to transfer out in a process in a specified period.</p> <p>Comprehend the way to describe how Costs in process costing flow in basically the same manner as costs in a job order cost system</p>		
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7.		
8.	<input type="checkbox"/> Mid-Term Examination <input type="checkbox"/>	
9.	Cost-Volume-Profit Analysis and Incremental Analysis	<p>Able to explain how fixed, variable, and semi-variable costs respond to changes in the volume of business activity and Explain how fixed, variable, and semi-variable costs respond to changes in the volume of business activity. Compute and prepare CVP graphical presentation, contribution margin and CVP relationship to evaluate ne marketing strategies. Also able to determine</p> <p>Ought to explain and analyze fixed and variable or semi-variable costs behavior with the changes in sales volume and economies scale</p> <p>Should be able to calculate contribution margin the amount of revenue available to cover fixed costs and to provide an operating profit and provide CVP analysis in estimating the changes in revenue and in costs which</p> <p>Analyze cost-volume-profit techniques to determine optimal managerial decisions.</p> <p>Prepare analyses of various special decisions, make or buy using relevant costing and benefits such incremental analysis.</p> <p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p> <p>Lecture Class discussion And activities</p> <p><input type="checkbox"/> <input type="checkbox"/> Practice questions and notes <input type="checkbox"/></p>

		<p>sales volume are likely to to earn desired accompany a level of change in sales operating volume income</p> <p>Would be able Comprehend to discuss the to differentiate relevance of among opportunity relevance of costs, sunk opportunity, costs, and out- sunk and out- of-pocket of pocket costs costs in making and their business important decisions. consideration</p> <p>Demonstrate in business to Use decisions incremental</p> <p>analysis in Should have common appropriate business knowledge to decisions and apply how incremental contribution analysis margin can be techniques in maximized comparing one when one course of factor limits action to productive another by capacity. determining the differences expected to arise in revenue and in costs and to determine the output mix that maximizes the contribution margin per</p>			
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			unit of the limiting factor.			
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□□□12.□□□	Operational Budgeting	Able to explain the how a company can be profit rich or yet cash poor and benefits that may drive from formal budgeting process□□To describe and prepare the elements of budget and supporting schedule of master budget □	Should have an appropriate knowledge of budgeting benefits and how Budgeting helps to coordinate the activities of the different departments, provides a basis for evaluating department performance, and provides	Describe the basic approaches to budgeting and relations among the elements of master budget to develop basic budget.	Lecture□Class activity	Assignment Practice question
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			<p>managers with responsibility for future decision making.</p> <p>Demonstrate ability to forecast and summaries all planned activities of the business</p>			
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13.

14.	Standard Costing	<p>Comprehend to explain how standard costing assists managers to control costs and difference between ideal standards and achievable standards</p> <p><input type="checkbox"/> Demonstrate the ability to compute and explain costs variance such Fixed and variable and their causes</p>	<p>Ought to explain when standard costs are used in accounting system, difference between standard and actual costs need to be addressed for management attention?</p> <p>Either budgeted amounts at levels are reasonably achievable under normal operations or</p>	<p>Perform cost variance analysis and demonstrate the use of standard costs in flexible budgeting.</p>	<p>Lecture</p> <p><input type="checkbox"/> Class activities</p>	<p>Assignment Practice questions</p>
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			not Should be able to evaluate and critically analyze differences in costs variances and causes of variations			
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16. **Final-Term Examination**

Assessment Criteria:

Mid Term	30%
Final Exam	40%
Assignment	20%
Class Activities/Quizzes/Attendance	<u>10%</u>
Total	<u>100%</u>

Final Assignment (20% of course grade) The focus will be on analysis, logic, and how well you convey your analysis. Some assignments are on the syllabus, but others could be added during the term. You must make at least 2 succinct presentation of assigned topic. All students in the class should be prepared to participate in a rigorous discussion of the topic.

Participation (Quiz, attendance and participation) (10% of course grade): I expect you to have read and critiqued the assigned reading for a session thoroughly before class. I will evaluate your participation based on the quality of your contribution to class discussions. If the presenter makes a mistake, you should be familiar enough with the reading to identify and help correct the mistake. Thorough preparation and participation in every class is mandatory.

Exams (Mid-Term, Final-Term and Term Project (70% of course grade): The syllabus requires that you formulate and solve specific or published accounting problems in Financial Accounting. You have to identify the problem yourself. I suggest that you make an early start. The solution of the problem can be theoretical and/or empirical. There will be mid-term and final-term exams after 7th week(mid-term) 15th week (final term) respectively. Evaluation will be based on exercises, case studies and rigorous real life problems. Exams would be on multiple choice questions and short case applications.

Attendance and Academic Ethics:

Students failing to maintain a minimum attendance of 75% in a subject during a semester shall be awarded a "WF" grade. It is strongly recommended that students should attend every class session. if a student missed his/her class, he/she should inform instructor or Cr prior to class timing. During lectures students should be attentive for learning and use of mobile phone or other gadgets without the permission of instructor is not allowed.

I will not tolerate cheating or plagiarism and will confiscated. I encourage you to discuss and debate ideas with your colleagues, but your written work must be your own ideas. Be careful not to plagiarize the work of other. When you discuss ideas, explain concepts, or provide comments on assignments you “help” your friends. When you allow your friend to copy your work, you are both academically dishonest and unethical.

Note: Kindly arrive on time and leave as scheduled. If you have any query, can contact or email me at any time.
