



MANAGERIAL ACCOUNTING

Course code	<i>FIN103</i>
Compulsory in the programmes	<i>Finance</i>
Level of studies	<i>Undergraduate</i>
Number of credits and	<i>6 ECTS (48 contact hours + 6 consultation hours, 106 individual work hours)</i>
Course coordinator (title and name)	<i>Assoc. prof. Dr. Renata Legenzova</i>
Prerequisites	<i>Financial Accounting</i>
Language of instruction	<i>English</i>

THE AIM OF THE COURSE:

The aim of the course is to teach students how to accumulate, prepare, report and analyze data and information used by managers to plan, measure, assess and control business processes, assess performance and make strategic and other relevant management decisions.

MAPPING OF COURSE LEVEL LEARNING OUTCOMES (OBJECTIVES) WITH DEGREE LEVEL LEARNING OBJECTIVES (See Annex), ASSESMENT AND TEACHING METHODS

Course level learning outcomes (objectives)	Degree level learning objectives (Number of LO)	Assessment methods	Teaching methods
CLO1. To be able to specify main tasks of managerial accounting and explain the difference between managerial and financial accounting;	BLO1.1 BLO1.2	Mid-term, written report and oral presentation and defense of group works	Lectures, seminars, self-study
CLO2. To be able to differentiate and analyze various costs types and their application in cost measurement, planning and performance evaluation;	BLO1.1 BLO1.2	Mid-term, written report and oral presentation and defense of group works	Lectures, seminars, self-study
CLO3. To be able to differentiate among costing methods, calculate the cost of goods using different costing methods and identify most relevant costing methods based on the managers' needs and business circumstances.	BLO1.1 BLO1.2 BLO3.1	Mid-term, written report and oral presentation and defense of group works	Lectures, seminars, self-study
CLO4. To be able to specify budget role, types and structure, prepare master budget, make budget variance analysis, identify and explain the importance of variance analysis for control function.	BLO1.1 BLO1.2 BLO3.1	Final exam, written report and oral presentation and defense of group works	Lectures, seminars, self-study

CLO5. To be able to perform cost-volume-profit analysis, measure and apply relevant costs and revenues for decision making, make pricing decisions, allocate support department costs, common costs, and revenues and evaluate their influence on company's performance.	BLO1.1 BLO1.2 BLO3.1	Final exam, written report and oral presentation and defense of group works	Lectures, seminars, self-study
CLO6. To be able to specify the main tasks of strategic management accounting, differentiate company's and divisional performance measurement and management systems, tools and measures.	BLO1.1 BLO1.2 BLO3.1	Final exam, written report and oral presentation and defense of group works	Lectures, seminars, self-study
CLO7. To be able to work in teams, present work results in written form and orally, justify and defend decisions.	BLO3.1 BLO4.1 BLO4.2 BLO4.3	Written report and oral presentation and defense of group works	Lectures, seminars, consultations, self-study.

ACADEMIC HONESTY AND INTEGRITY

The ISM University of Management and Economics Code of Ethics, including cheating and plagiarism are fully applicable and will be strictly enforced in the course. Academic dishonesty, and cheating can and will lead to a report to the ISM Committee of Ethics. With regard to remote learning, ISM remind students that they are expected to adhere and maintain the same academic honesty and integrity that they would in a classroom setting.

COURSE OUTLINE

Topic	In-class hours	Readings
1. The framework of management accounting. Matching financial and management accounting information.	3	Horngren Chapter 1
2. The building blocks of costing system: activity analysis and classification, cost objects, cost classification and accumulation, cost assignment and allocation, cost calculation, reporting cost information.	4	Drury Chapter 2, Chapter 3
3. Job costing. Actual and normal costing	3	Horngren Chapter 4
4. Process costing	3	Drury Chapter 5
5. Joint cost situations and byproducts. Income effects of alternative cost accumulation systems	3	Drury Chapter 6, Chapter 7
6. Activity based costing.	3	Horngren Chapter 5, (Drury Chapter 19)
<i>Midterm</i>	2	
7. Budgeting process. Master Budget.	4	Drury Chapter 15
8. Management control. Standard costing and variance analysis	3	Drury Chapter 16,17 (Drury Chapter 18)
9. Cost-volume-profit analysis. Full and variable costing.	3	Drury Chapter 8
10. Measuring relevant costs and revenues for decision-making	3	Drury Chapter 9

11. Pricing decisions and customer profitability analysis	3	Drury Chapter 10
12. Decentralized management and responsibility centers. Allocation of Support-Department Costs, Common Costs, and Revenues. Divisional financial performance measures	3	Horngren Chapter 15 Drury Chapter 19
13. Performance management systems, tools and measures. Balance scorecard.	3	Drury Chapter 22 Horngren Chapter 19
Presentation and defense of Group tasks	3	
Exam	2	
	Total: 48 hours	
CONSULTATIONS	6	
FINAL EXAM	2	

FINAL GRADE COMPOSITION

Type of assignment	%
<i>Group Components</i>	30%
Group work (3 tasks)	30
<i>Individual Components</i>	70%
Mid-term examination	30
Final examination	40
Total:	100

DESCRIPTION AND GRADING CRITERIA OF EACH ASSIGNMENT

Midterm and exam are closed book.

Midterm counts 30% towards the final grade. It covers materials of 1-6 topics and consists of multiple-choice and open questions from theory and exercises. Students are recommended to bring calculators.

Final exam counts 40% towards the final grade. Exam consists of multiple-choice and open questions from theory and exercises. The exam covers materials studied in topics 7-13. Students are recommended to bring calculators.

Retake policy. Students are given a retake possibility in the case of a negative final grade. The retake counts 70% towards the final grade and covers the materials for the entire course (topics 1-13). Students are recommended to bring calculators.

Group work counts for 30% of the final grade. The group work consists of 3 separate tasks and has to be prepared in groups of 3-4 people (1-2 students do not make a group).

Group work Tasks	Topic	Grading (in % towards the final grade)
TASK 1	Cost allocation and product performance	<ul style="list-style-type: none"> Written report - 5% Presentation and defense - 5%
TASK 2	Relevant cost analysis	<ul style="list-style-type: none"> Written report - 5% Presentation and defense - 5%
TASK 3	Master budgeting	<ul style="list-style-type: none"> Written report - 5% Presentation and defense - 5%

The tasks are given at the beginning of the course and shall be done and defended before the end of semester. Each group turns in a single copy of its written report (for every task) with the names of all contributing members listed. All members of the group receive the same evaluation for the group's written reports unless the other group members in advance reported about a non-performance of a student. Late written reports are not accepted.

All group members have to participate in presentation and defense of their group work. A student who does not show up for presentation and defense of the group work receives 0 for this part and the maximum evaluation for his/her group works is up to 15 % (out of 30 %) of the final grade.

REQUIRED READINGS

1. Horngren,C.T., Datar,S.M., Foster,G., Rajan,M., Ittner,C. (2012). *Cost accounting: A managerial emphasis*. 14th edition. Pearson (e-book).
2. Colin Drury Management and Cost Accounting. 8th edition (2012) Cengage Learning EMEA (e-book).

ADDITIONAL READINGS

1. Horngren,C.T., Datar,S.M., Foster,G. (2006). *Cost accounting: A managerial emphasis*. 12th edition. Prentice hall. (59 copies ISM library).
2. Horngren,C.T., Datar,S.M., Foster,G., Rajan,M., Ittner,C. (2009). *Cost accounting: A managerial emphasis*. 13th edition. Prentice hall (34 copies ISM library).
3. Drury, C. (2015). *Management and Cost Accounting*. 9th edition. Cengage Learning EMEA.
4. Weetman, P. (2002). *Management Accounting: An Introduction*. London: Thomson learning 408 p.

DEGREE LEVEL LEARNING OBJECTIVES

Learning objectives for the Bachelor of Business Management

*Programmes:
International Business and Communication,
Business Management and Marketing,
Finance,
Industrial Technology Management,
Entrepreneurship and Innovation*

Learning Goals	Learning Objectives
Students will be critical thinkers	BLO1.1. Students will be able to understand core concepts and methods in the business disciplines
	BLO1.2. Students will be able to conduct a contextual analysis to identify a problem associated with their discipline, to generate managerial options and propose viable solutions
Students will be socially responsible in their related discipline	BLO2.1. Students will be knowledgeable about ethics and social responsibility
Students will be technology agile	BLO3.1. Students will demonstrate proficiency in common business software packages
	BLO3.2. Students will be able to make decisions using appropriate IT tools
Students will be effective communicators	BLO4.1. Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	BLO4.2. Students will be able to convey their ideas effectively through an oral presentation
	BLO4.3. Students will be able to convey their ideas effectively in a written paper

Learning objectives for the Bachelor of Social Science

*Programmes:
Economics and Data Analytics,
Economics and Politics*

Learning Goals	Learning Objectives
Students will be critical thinkers	ELO1.1. Students will be able to understand core concepts and methods in the key economics disciplines
	ELO1.2. Students will be able to identify underlying assumptions and logical consistency of causal statements
Students will have skills to employ economic thought for the common good	ELO2.1. Students will have a keen sense of ethical criteria for practical problem-solving
Students will be technology agile	ELO3.1. Students will demonstrate proficiency in common business software packages
	ELO3.2. Students will be able to make decisions using appropriate IT tools
Students will be effective communicators	ELO4.1. Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	ELO4.2. Students will be able to convey their ideas effectively through an oral presentation
	ELO4.3. Students will be able to convey their ideas effectively in a written paper