

Subject Description Form

Subject Code	AF2110
Subject Title	Management Accounting 1
Credit Value	3
Level	2
Pre-requisite / Co-requisite/ Exclusion	None
Objectives	This subject contributes to the achievement of the BBA (Hons) Programme Outcomes by enabling students to identify and evaluate business opportunities as they arise through adopting an entrepreneurial perspective (Outcome 5). Identifying and appropriately responding to ethical issues as they arise in various business settings (Outcome 4) in the management accounting context.
Intended Learning Outcomes	<p>Upon completion of the subject, students will be able to:</p> <ol style="list-style-type: none"> a. Understand and critically apply the appropriate concepts and techniques to generate cost information to help management in organizational planning and control (Outcome 7). b. Identify and analyse the means to create value in goods and services and deliver to end users, using appropriate costing methods and management accounting techniques . c. Suggest innovative solutions to various management decision-making problems, based on their understanding of relevant cost information and other management accounting tools, in achieving business and corporate strategic objectives (Outcome 5). d. Evaluate ethical issues from a management accounting perspective and suggest appropriate responses to aid management decision-making processes (Outcome 4).
Subject Synopsis/ Indicative Syllabus	<p>Managerial Accounting and the Business Environment Comparison of financial and managerial accounting. Expanding role of managerial accounting. The role of a management accountant in enhancing corporate governance. Code of professional ethics.</p> <p>Cost Concepts, Cost Classification, Cost Estimation and Cost-Volume-Profit Analysis Cost and management accounting terms. Cost objectives. Management process and its implication for the management accountant. Different methods in cost estimation. Assumptions behind the cost-volume-profit analysis. Break-even point. Relationship between CVP and cost planning. Margin of safety. Operating Leverage.</p> <p>Absorption and Marginal Costing Differences between absorption and marginal costing. Effect of changes in production and sales level on profit. Use of information for external reporting and internal decision making.</p>

	<p>Job Costing Cost System Design. Approach to job costing. Cost accumulation system and cost objectives. Pre-determined overhead recovery rate. Over- and under-applied overhead.</p> <p>Budgeting Master budget and its usefulness to organizations. Zero-based budgeting. Incremental budgeting. Fundamental budgetary behaviour.</p> <p>Relevant Costs for Decision Making and Pricing The decision making process. Cost concepts for decision making. Applications of relevant costs in different settings including constrained resources. Pricing policies for products and services.</p> <p>Performance Measurement Decentralisation and responsibility centers. Segment Reporting. Financial and non-Financial measures of performance and outcomes. The Balanced Scorecard. Performance measures and compensation.</p> <p>An Overview of Contemporary Issues in Management Accounting Contemporary management accounting practices. Quality cost management. Role of management accounting in business sustainability and corporate social responsibility.</p>																																																														
<p>Teaching/Learning Methodology</p>	<p>The three-hour weekly lecture will be structured to guide and promote students' understanding of relevant concepts and management accounting practices. In addition, case analysis, weekly assignments and team-presentation will be conducted based on a student-centered approach.</p>																																																														
<p>Assessment Methods in Alignment with Intended Learning Outcomes</p>	<table border="1" data-bbox="456 1167 1481 1774"> <thead> <tr> <th rowspan="2">Specific assessment methods/tasks</th> <th rowspan="2">% weighting</th> <th colspan="6">Intended subject learning outcomes to be assessed (Please tick as appropriate)</th> </tr> <tr> <th>a</th> <th>b</th> <th>c</th> <th>d</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>Continuous Assessment:</td> <td>50%</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1. Case report and presentation</td> <td>15%</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> </tr> <tr> <td>2. Mid-term Quiz</td> <td>25%</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> </tr> <tr> <td>3. Participation</td> <td>10%</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> </tr> <tr> <td>Final Examination</td> <td>50%</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> </tr> <tr> <td>Total</td> <td>100 %</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>To pass this subject, students are required to obtain Grade D or above in both the Continuous Assessment and Examination components.</p>	Specific assessment methods/tasks	% weighting	Intended subject learning outcomes to be assessed (Please tick as appropriate)						a	b	c	d			Continuous Assessment:	50%							1. Case report and presentation	15%	√	√	√	√			2. Mid-term Quiz	25%	√	√	√	√			3. Participation	10%	√	√	√	√			Final Examination	50%	√	√	√	√			Total	100 %						
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Student Study Effort Required	▪ Seminars	39 Hrs.
	▪	
	Other student study effort:	
	▪ Self-study	39 Hrs.
	▪ Assignments	52 Hrs.
	Total student study effort	130 Hrs.
Reading List and References	<p><i>Prescribed Textbooks</i> Garrison, R.H., E.W. Noreen, P.C. Brewer, <i>Managerial Accounting</i>, McGraw-Hill, 2015 (15th e).</p> <p><i>References</i> Hilton, R.W., Maher, M.W. and F.H. Selto, <i>Cost Management: Strategies for Business Decisions</i>, McGraw-Hill, latest edition.</p> <p>Blocher, E.J., K.H. Chen and T.W. Lin, <i>Cost Management: A Strategic Emphasis</i>, 3rd Edition, McGraw Hill, latest edition.</p> <p>Selected readings from professional journals and current news reports will be provided to students during the course.</p>	