ACC2002 - Managerial Accounting: Lesson Plan

Instructors
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Session:  
Semester I, 2016/17

Course Objective and Scope

The emphasis of the course is on the use of accounting information internally by managers in managing an organisation. Students will gain an understanding of the information needed by managers in planning, control and decision-making. The course will cover topics such as cost concepts and cost behaviour, costing systems, flexible budgets and variance analysis, management controls and responsibility accounting and relevant costs in decision-making.

Recommended Text


Assessment Methods

Class participation                   10%
Presentation (20 minutes)             15%
4 15-minute Quizzes (see Lesson Plan) 20%
Final examination                    55%
ACC2002 - Managerial Accounting (Lecture Plan)

Week 1 (8 Aug)

Chapters 1 and 2:
Management accounting: information for creating value & managing resources
  - Management accounting processes and techniques
  - Management accounting and strategy
  - Management accounting in changing business environment

Management accounting: cost terms and concepts
  - Cost classifications: different classification for different purposes
  - Cost across the value chain
  - Manufacturing costs
  - Product costs
  - Cost flows in manufacturing business

Week 2 (15 Aug)

Chapter 3: Cost behaviour, cost drivers and cost estimation
  - Cost drivers
  - Cost behaviour patterns
  - Using cost behaviour patterns to predict costs
  - Practical issues in cost estimation

Self-Review Questions
Questions: 1.1; 1.10; 1.13; 1.18
Questions: 2.2; 2.5; 2.13

Presentation
Case: C1.40
Exercises: E2.21; E2.22; E2.24; E2.30
Problem: P2.32

Week 3 (22 Aug)

Chapter 18: Cost-volume-profit analysis
  - Graphing CVP relationships
  - Using CVP analysis for management decision making
  - CVP analysis with multiple products
  - Practical issues in CVP analysis

Self-Review Questions
Questions: 3.2; 3.3; 3.4; 3.5; 3.8

Presentation
Exercise: E3.24
Problems: P3.32; P3.33
Case: C3.41
Week 4 (29 Aug)

Chapter 4: Product costing systems
Flow of costs in manufacturing business
Allocating overhead costs to products
Types of product costing systems

Presentation
Problems: P18.32; [P18.33; P18.34; 18.35]; P18.39; P18.41

Note: Questions in parenthesis are related.

Quiz 1 (On topics covered in Weeks 1, 2 and 3.)

Week 5 (5 Sept)

Chapter 5: Process costing and operation costing
Process costing with work-in-process inventories
Process costing using the weighted average method
Operation costing for batch manufacturing processes

Self-Review Questions
Questions: 4.1; 4.7; 4.10

Presentation
Exercise: E4.25
Problems: P4.37; P4.39
Case: C4.43

Week 6 (12 Sept)

Chapter 7: A closer look at overhead costs
Allocating indirect costs: some general principles
Allocating overhead costs to products
Issues in estimating overhead rates
Allocating indirect costs to responsibility centres

Self-Review Questions
Questions: 5.1; 5.4; 5.12; 5.20

Presentation
Exercise: E5.30
Problems: P5.34; P5.39
Case: C5.43

RECESS: (Sat, 17 Sept to Sun, 25 Sept)
Week 7 (26 Sept)

Chapter 8: Activity-based costing
- Problems with conventional product costing
- Activity-based versus traditional product costs
- When should ABC be used?
- Other activity-based costing issues

Self-Review Questions
Questions: 7.1; 7.2; 7.4; 7.13; 7.17

Presentation
Problem: P7.33; [P7.34; P7.35]; P7.37

Quiz 2 (On topics covered in Weeks 4, 5 and 6.)

Week 8 (3 Oct)

Chapters 19 and 20:
Information for decisions: relevant costs and benefits
- Identifying relevant costs and benefits
- Relevant information for some common decisions
- Implication of activity-based cost analysis for decisions
- Pitfalls to avoid when using accounting data for decisions

Pricing and product mix decisions
- Major influences on pricing decisions
- Pricing strategies
- Competitive bidding
- Product mix decisions

Self-Review Questions
Questions: 8.4; 8.8; 8.9; 8.19

Presentation
Exercise: E8.24
Problems: P8.33; P8.38
Case: C8.46

Week 9 (10 Oct)

Chapter 10: Standard costs for control: direct material and direct labour
- Controlling costs
- Setting standards
- Standard costing and behaviour
- Standard costs for product costing
Week 10 (17 Oct)

Chapter 11: Standard costs for control: flexible budgets & manufacturing overhead
   - Overhead application in a standard costing system
   - Calculating overhead cost variances
   - An appraisal of standard costing systems

Self-Review Questions
Questions: 10.1; 10.5

Presentation
Problems: P10.34; P10.39; P10.42; P10.43

Week 11 (24 Oct)

Chapter 12: Managing and reporting performance
   - Structuring for control: decentralisation
   - Responsibility centres
   - Financial performance reporting
   - Transfer pricing

Self-Review Questions
Questions: 11.2; 11.4; 11.10; 11.13

Presentation
Problems: P11.32; P11.36; P11.37
   - Case: 11.45

Week 12 (31 Nov)

Chapters 13 and 14:
Financial performance measures and incentive schemes
   - Financial measures in investment centres
   - ROI, RI
   - Measures of shareholder value
   - Incentive schemes
Strategic performance measurement systems
Problems with using traditional financial performance measures in isolation
Advantages of non-financial measures
Limitation of non-financial performance measures
The balanced scorecard

Self-Review Questions
Questions: 12.1; 12.2;

Presentation
Exercises: E12.24; [E12.29; E12.30].
Case: 12.45

Week 13 (7 Nov)

Self-Review Questions
Questions: 13.3; 13.11; 13.19
Questions: 14.2; 14.3; 14.4

Presentation
Problems: 13.31; P13.34
Problems: 14.31; 14.33; 14.34

Quiz 4 (On topics covered in Weeks 10 and 11.)
Revision

*Instructors will go through the self-review questions when time permits.*
ACC2002 - Managerial Accounting (Schedule of Quizzes)

Week 4 (29 Aug)

Quiz 1 (On topics covered in Weeks 1, 2 and 3.)

Week 7 (26 Sept)

Quiz 2 (On topics covered in Weeks 4, 5 and 6.)

Week 9 (10 Oct)

Quiz 3 (On topics covered in Weeks 7 and 8.)

Week 13 (7 Nov)

Quiz 4 (On topics covered in Weeks 9, 10 and 11.)

Alfred L C Loh 15 July 2016