



BFA712 Management and Cost Accounting

Semester Two 2007

School of Accounting and Corporate Governance

Faculty of Business

Unit Outline

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Other teaching staff

To be advised

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Unit description

In this unit we explore the key functions fulfilled by managerial and cost accounting. The primary purpose of managerial and cost accounting is to provide relevant information to managers within an organisation. Managerial accounting can be thought of as the informal language used within the organisation to facilitate planning, control, co-ordination and performance assessment. Decision contexts can vary from the broad strategic planning and resource allocation decisions made at corporate or divisional level, to the more specific cost and performance information necessary to monitor individual products, customers or segments. The ultimate measure of success is whether or not internal decision making has been improved as a result of the relevance, quality and timeliness of information provided by the management accounting function.

Learning outcomes

On completion of this unit, you should be able to:

- describe the role of management accounting within an organisation
- interpret the various cost concepts that are fundamental to the language of management accounting
- describe how costs behave and use this information in a range of decision contexts
- distinguish those revenues and costs that are relevant in different decision situations and use this information to make a variety of operational decisions
- critically evaluate the features of different budgeting systems and be able to formulate appropriate budgets and calculate and analyse budget variance analysis
- identify and apply various service and product costing methods
- demonstrate written communication skills through the presentation of high quality project work

Generic graduate attributes

The University has defined a set of generic graduate attributes (GGAs) that can be expected of all graduates (see <http://www.utas.edu.au/tl/policies/index.htm>). By undertaking this unit you should make progress in attaining the following attributes:

Knowledge: You should acquire and apply technical knowledge about management and cost accounting techniques through class participation and the completion of assessable tasks.

Communication skills: Through the completion of two major projects, you should demonstrate competent written communication skills.

Problem-solving skills: Your assessable work will involve the evaluation and application of relevant information in a range of internal management decision making contexts.

These attributes are to be actively developed over the graduates' time at university.

Learning resources required

Requisite texts

Horngren, C., Sundem, G. and Stratton, W. 2005, *Introduction to Management Accounting* (Thirteenth edition), Pearson Prentice Hall: New Jersey

Recommended reading

Horngren, C., Foster, G. and Datar, S. 2005, *Cost Accounting: A Managerial Emphasis*, (Twelfth edition, international edition), Prentice Hall, New Jersey

Langfield-Smith, K., Thorne, H and Hilton, R. 2006, *Management Accounting – An Australian Perspective*, McGraw Hill, Sydney

E- (electronic) resources

Library

Students are encouraged to read widely and share information with their colleagues in the group. The e-journal section within the library website provides access to the following journals relevant to management accounting:

Management Accounting Research,
Journal of Management Accounting Research
Accounting Organizations and Society
Australian Accounting Review

It is strongly recommended that references be sought from as wide a range of discipline areas as possible. Students are advised to access these journals via the E-journals web page contained on the university library website as well as databases such as Science Direct, Proquest and Emerald.

WebCT Vista

WebCT will be used to make up-to-date unit materials available to you and to give you access to announcements and a discussion group. You are encouraged to pose questions via WebCT rather than by e-mail to teaching staff as this allows everybody in the unit to participate in the discussion.

You can obtain general information on using WebCT Vista at:
<http://www.utas.edu.au/coursesonline/> .

To access WebCT Vista from your own computer you will need the appropriate software, and hardware to run that software. See **Learning Online** at <http://www.utas.edu.au/coursesonline/software.htm> for computer software you will need.

Note: Older computers may not have the hardware to run some of the required software applications.

Contact your local IT support person or the Service Desk on 6226 1818 if you experience difficulties. See *WebCT Vista: Information for Students* for further information about accessing WebCT Vista.

Details of teaching arrangements

Lectures/Intensive sessions

There will be one two-hour lecture each week. Attendance at lectures should **not** be viewed as a substitute for reading the assigned material and attempting the questions each week.

A copy of the lecture overhead slides will be available, in a reduced font size, from the School's online resources on WebCT Vista. You should ensure that you obtain a copy of these prior to each class and bring them to the relevant class. The pace of class discussion will be based on the assumption that all students have a copy of the slides.

Tutorials

In addition to lectures there will be a one-hour tutorial each week. Tutorials commence in Week Two and aim to consolidate the material covered in the previous lecture session.

Attendance at tutorials should **not** be viewed as a substitute for reading the assigned material and attempting the questions each week.

For each topic, a set of tutorial preparation questions is listed. These problems should be attempted by you **after** the relevant lecture class but **before** the tutorial on that topic. The tutorials will commence with discussion of the questions that you have attempted. **Written solutions will not be provided at tutorials.** You should come to the tutorials prepared so that you can amend your answers, if necessary, and be willing to raise any issues or problems that you encountered in attempting the questions. Additional questions will be worked through in the remaining tutorial time.

Occupational health and safety (OH&S)

The University is committed to providing a safe and secure teaching and learning environment. Please refer to the University's policy at:
http://www.admin.utas.edu.au/hr/ohs/pol_proc/ohs.pdf

Learning expectations and strategies

Expectations

The University is committed to high standards of professional conduct in all activities, and holds its commitment and responsibilities to its students as being of paramount importance. Likewise, it holds expectations about the responsibilities students have as they pursue their studies within the special environment the University offers.

The University's Code of Conduct for Teaching and Learning states:

Students are expected to participate actively and positively in the teaching/learning environment. They must attend classes when and as required, strive to maintain steady progress within the subject or unit framework, comply with workload expectations, and submit required work on time.

Learning strategies

Students are expected to take responsibility for their own learning. Consistent with the view of the professional accounting bodies and prospective employers, a key aim in this unit is to develop students who are active participants rather than passive recipients. The role of the lecturer is not one primarily of teaching, but rather one of facilitating your learning and helping you develop independent logical, analytical and critical thinking skills. Further information about the Faculty's philosophy on teaching and learning is set out in its **Guide for Students**.

Key to successful progression through any course is thorough preparation and effective time management. You should consciously plan your time, mindful of commitments and key submission dates in all of the units you are studying, to avoid pressure spots and to ensure that you can be adequately prepared for each session. If you prepare thoroughly throughout the semester, "swot vac" becomes, as it should be, a time for consolidation and revision, not a period of frantic catching up and learning. You will find a topic-by-topic schedule at the end of this Outline to help with your planning.

You should plan to allocate a minimum of 9 - 12 hours of your time per week to this unit. On average, an approximate allocation of this time should be:

class contact time	3 hours
reading and attempting questions before class	3 – 4 hours

organising, practising exercises and assignment work 3 – 5 hours

In summary, to be successful in this unit, it is suggested that you:

- keep up-to-date with the reading;
- review lecture material and illustrations;
- complete the tutorial preparation tasks; attend tutorials; ask questions;
- practice newly acquired skills (including specified self-study tasks);
- consolidate your reading by making appropriate short notes and summaries;
- give yourself plenty of time to write your assignments;
- take responsibility for your own learning; and make use of the support services available.

If you fall behind with your work you will find that you have too much to make up before the examination and will be under-prepared.

Specific attendance/performance requirements

There are no specific attendance requirements for this unit. If you miss a timetabled session, it is your responsibility to obtain any information you have missed. Lecture and tutorial materials will be made available via the unit's web site as the unit progresses.

Individual consultations are not a substitute for tutorial attendance.

Assessment

Assessment schedule

Assessment task	Date due	Percent weighting
Assessment 1: Consolidation problems Test part A (topics 1 – 5) Test part B (topics 6 – 10)	30 August 11 October	10% 10%
Assignment 2: Project – short term decision making	9 August	10%
Assignment 3: Project – budgeting	20 Sept	10%
End of semester exam		60%

Assessment details

Assessment 1: Problem Consolidation Tests (2 parts)

Task description	<p>The test will be conducted in two parts.</p> <p>Part A will cover topics 1 through 5. Part B will cover topics 6 through 10.</p> <p>Both tests will involve calculations, short written interpretations and multiple choice questions. The tests are closed-book. A non-programmable calculator will be permitted.</p>
Task length	<p>Each test will be 50 minutes duration plus 5 minutes reading time.</p>
Links to unit's learning outcomes	<p>1, 2, 3, 4, 5, and 6.</p>
Assessment criteria / guidelines	<p>Ability to calculate and evaluate data. Ability to compare and contrast data. Ability to identify and evaluate information using specified criteria. Accuracy; relevance and quality of discussion; clear, precise and economical expression.</p>
Dates	<p>Test A will be conducted during the lecture in week 7.</p> <p>Test B will be conducted during the lecture in week 12.</p>

Each part of the test is worth 10% of your overall assessment.

If you miss a test for an acceptable reason (for example, medical or compassionate reasons), the weighting for the test will be added to the weighting for the final examination. In other words, the final examination would then be worth 70% of your final assessment if you miss one test, or 80% if you miss both. Alternative test papers will not be set if you miss a test. Work commitments are not considered an acceptable reason for missing the test. Please note that in all cases supporting documentation must be provided (eg. A medical certificate).

Assessment 2: Project – Relevant Information & Short Term Decision Making

<i>Task description</i>	A practical assignment that involves developing and using cost data in a short term decision context.
<i>Task length</i>	1500 words
<i>Links to unit's learning outcomes</i>	1, 2, 3, 4, and 7
<i>Assessment criteria / guidelines</i>	Ability to identify and evaluate information using specified criteria. Ability to logically argue and present information. Ability to research and incorporate information.
<i>Date due</i>	3pm, Thursday 9 August, 2007

Assessment 3: Project – Budgeting

<i>Task description</i>	A practical assignment that involves constructing and using budget data. This assignment can be completed by students working individually or in pairs.
<i>Task length</i>	1500 words
<i>Links to unit's learning outcomes</i>	1, 3, 5, and 7
<i>Assessment criteria / guidelines</i>	Ability to calculate and evaluate data. Ability to compare and contrast data. Ability to present data in tabular form. Ability to logically argue and present information.
<i>Date due</i>	3pm, Thursday 20 September, 2007

Final exam

Description / conditions

Closed book examination of 3 hours duration. The exam will enable you to demonstrate breadth and depth of understanding across all the course material. **All topics are examinable.**

Date

The final exam is conducted by the University Registrar in the formal examination period. See the **Current Students** homepage (>Examinations and Results) on the University's website.

Assessment/Learning Outcomes/Generic Graduate Attributes Matrix

Assessment task: 1	Consolidation Problems				
Assessment task: 2	Project – Relevant information and short term decision-making				
Assessment task: 3	Project – Budgeting				
Final Examination:	3 hour - closed book				
Learning Outcomes:					
	Learning outcome 1	√	√	√	√
	Learning outcome 2	√		√	√
	Learning outcome 3	√	√	√	√
	Learning outcome 4	√		√	√
	Learning outcome 5	√	√		√
	Learning outcome 6	√			√
	Learning outcome 7		√	√	
UTas Generic Graduate Attributes:					
	Knowledge	√	√	√	√
	Communication skills	√	√	√	
	Problem-solving skills	√	√	√	√

How your final result is determined

Your final result is determined simply by adding your weighted marks for the different assessment components of the unit. To obtain a pass grade or better in the unit, the sum of the weighted marks must be 50% or more of the total marks available.

Note that results are not standardised within the School of Accounting and Corporate Governance. The School expects high standards of their students, and insists that students devote sufficient time and effort to their studies throughout the semester to achieve grades of pass or higher on merit.

Submission of assignments

Assignments are to be presented and submitted in accordance with the *Guide for Students - Presentation and Submission of Assignments* issued by the Faculty of Business.

Assignments are to be submitted via the assignment box, Level 5, Commerce Building, Hobart campus. You must attach a signed cover page to your assignment declaring that all material submitted is your own except where there is clear acknowledgement or reference to the work of others. This sheet is available on the Unit's WebCT Vista site. In relation to this point your attention is drawn to the University's rules on plagiarism. Please refer to page 11 (Plagiarism) of this Unit Outline. Assessments will be marked as quickly as possible after all have been submitted, and returned with comments and grades awarded.

Requests for extensions

Consistent with the Faculty's policy on late submission, extensions of time will only be granted on medical or compassionate grounds. They will **not** be granted because of work or other commitments.

Requests for extension must be made to the unit coordinator in writing on the School's Application for Late Submission Form (available on WebCT Vista) **before** the due date of the assignment. Medical certificates or other evidence, which supports the application, must be attached and must contain information which justifies the extension sought.

Penalties

Late Submission of Continuous Coursework

Assignments that are not handed in by the due date will have marks deducted, unless a signed and approved extension form is attached. The penalty for late submission of assignments in this unit is 10% of the available mark for each day the assignment is late.

Over-length Work

Where word limits have been specified, students should take care not to exceed this word limit as any course work exceeding the word limit will not be assessed. Over-length work will be returned to the student(s) for editing and must be resubmitted within a maximum of 48 hours of being returned. Returned

assignments will attract an automatic 10% penalty of available marks and a further 10% penalty each day until the assignment is resubmitted.

Academic referencing

In your written work you will need to support your ideas by referring to scholarly literature, and other sources of information such as the accounting regulatory bodies. It is important that you understand how to correctly refer to the work of others and maintain academic integrity. Failure to appropriately acknowledge the ideas of others constitutes academic dishonesty (plagiarism), a matter considered by the University of Tasmania as a serious offence.

The appropriate referencing style for this unit is the Harvard referencing method. You can access information about the referencing style used in this unit in the *Faculty of Business Guide for Students* available via WebCT Vista or from the School's website - <http://www.utas.edu.au/accg/studentres.htm>.

In addition, you are encouraged to read Fleet, W, Summers & Smith, B. (2006), *Communication Skills Handbook for Accounting*, which provides detailed information about using the Harvard referencing system. Further information on presentation of assignments, including referencing styles is available at: <http://www.utas.edu.au/library/assist/gpoa/gpoa.html>

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Plagiarism

Please read the following statement on plagiarism. Should you require clarification please see your unit coordinator or lecturer.

Plagiarism is a form of cheating. It is taking and using someone else's thoughts, writings or inventions and representing them as your own; for example, using an author's words without putting them in quotation marks and citing the source, using an author's ideas without proper acknowledgment and citation, copying another student's work.

If you have any doubts about how to refer to the work of others in your assignments, please consult your lecturer or tutor for relevant referencing guidelines, and the academic integrity resources on the web at <http://www.utas.edu.au/tl/supporting/academicintegrity/index.html>.

The intentional copying of someone else's work as one's own is a serious offence punishable by penalties that may range from a fine or deduction/cancellation of marks and, in the most serious of cases, to exclusion from a unit, a course or the University. Details of penalties that can be imposed are available in the Ordinance of Student Discipline – Part 3

Academic Misconduct, see
<http://www.utas.edu.au/universitycouncil/legislation/>

The University and any persons authorised by the University may submit your assessable works to a plagiarism checking service, to obtain a report on possible instances of plagiarism. Assessable works may also be included in a reference database. It is a condition of this arrangement that the original author's permission is required before a work within the database can be viewed.

For further information on this statement and general referencing guidelines, see <http://www.utas.edu.au/plagiarism/> or follow the link under 'Policy, Procedures and Feedback' on the **Current Students** homepage.

Further information and assistance

If you are experiencing difficulties with your studies or assignments, have personal or life planning issues, disability or illness which may affect your course of study, you are advised to raise these with your lecturer in the first instance.

There is a range of University-wide support services available to you including Teaching & Learning, Student Services, and International Services. Please refer to the **Current Students** homepage at: <http://www.utas.edu.au/students/>

Should you require assistance in accessing the Library visit their website for more information at <http://www.utas.edu.au/library/>

If you have a problem...

- of an administrative nature (eg tutorial allocation), see the lecturer
- of an academic nature, please ask questions during workshop sessions. For individual assistance, you are encouraged to see your unit coordinator during "consultation hours"
- if you have problems using WebCT Vista, contact the service desk
Website: <http://www.utas.edu.au/servicedesk/student/index.html>
Telephone: 6226 1818 Email: servicedesk@utas.edu.au
- if you have any concerns in relation to this unit, then in the first instance you should discuss the matter with your lecturer. However, if you do not feel comfortable approaching your lecturer, or if you have a discussion with your lecturer and are not satisfied with the outcome, then you are encouraged to contact the Ombudsperson listed below, who also teaches in the School of Accounting & Corporate Governance.

Mrs Simone Bingham
Room:421, Faculty of Business
Building, Hobart
Ph: (+61 3) 6226 2314
email:Simone.Bingham@utas.edu.au

Belinda Williams
Room A-257, Launceston
Ph: (+61 3) 6324 3155
email:Belinda.Williams@utas.edu.au

Discussions with the ombudsperson will be kept in the strictest confidence. If you wish to pursue the matter further, they will provide advice as to how this can be done. The University also has formal policies, which can be accessed at:
http://www.admin.utas.edu.au/ac_serv/complaints_info.html

Students with Disabilities –University & Faculty Equity Plans

Goal 1 of the University of Tasmania Equity Plan provides for: “An inclusive teaching and learning environment that values diversity, supports the pursuit of academic excellence and produces high quality education and employment results for all students and staff”.

The Faculty of Business Equity Plan facilitates the University Plan at an operational level and has developed an ‘Action Plan’. The Action Plan for Goal 1 lays down procedures to ensure that all students, including those with disabilities, have equal access to lecture and course materials. The School of Accounting & Corporate Governance complies with these procedures.

Unit schedule

Week	Date beginning	Topic	Readings / Resources	Tutorial Preparation / Self-study Tasks
1	16 July	1. An introduction to management accounting	Chapter 1	TP: A1, 42, 46, 51 SS: A3, B1, 33.
2	23 July	2. Cost behaviour and cost volume profit analysis	Chapter 2	TP: 27, B2, 64. SS: 45, 53, 55.
3	30 July	3. Relevant information and short term decision making	Chapters 5 & 6	TP: 5-38, 5-37, 5-B2, 6-A1(1&2), 6-B2 SS: 5-B1, 5-B3, 5-53, 6-37, 6-52
4	6 August	4. Master budgets and static budget variances Project - A2 due 9 Aug	Chapters 7 & 8	TP: 7-34, 7-35 SS: 7-37, 8-35
5	13 August	5. Flexible budgets and budget variances	Chapter 8	TP: B2, 45, 43 SS: 44, 46
6	20 August	6. Measuring cost behaviour	Chapter 3 (incl. appendix)	TP: B1, 32, 50, 51 SS: A1, 37, 54
7	27 August	7. Cost management TEST part A (topics 1-5)	Chapter 4	TP: 42, B4, 53 SS: 44, A2
Mid-semester break (Mon 3 – Fri Sept 7)				
8	10 Sept	8. Management control systems and performance evaluation	Chapter 9	TP: A1, 38, B3 SS: B2, 35, 43
9	17 Sept	9. Decentralisation, transfer pricing and divisional performance measurement Project - A3 due 20 Sept	Chapter 10	TP: B1, 38, A3 SS: A4, 32, 47
10	24 Sept	10. Cost allocation	Chapter 12	TP: A3, 40, 44 SS: B1, B2, 27
11	1 Oct	11. Overhead costs	Chapter 13	TP: B2, 38, 39, 53 SS: B1, B3, 37
12	8 Oct	Summation of knowledge and skills TEST part B (topics 6-10)		TBA
13	15 Oct	Practice exam questions and reflection on learning		TBA