

ACCOUNTING FOR DECISIONS MAKING

Code: ACCT-427

Course Name: Accounting for Decisions making **Course Type:** Core

Pre-Requisite: Concentration

Course Level:

Year 1:	<input type="checkbox"/>	Semester 1	<input type="checkbox"/>	Semester 2	<input type="checkbox"/>	Summer
Semester						
Year 2:	<input type="checkbox"/>	Semester 1	<input type="checkbox"/>	Semester 2	<input type="checkbox"/>	Summer
Semester						
Year 3:	<input type="checkbox"/>	Semester 1	<input type="checkbox"/>	Semester 2	<input type="checkbox"/>	Summer
Semester						
Year 4:	<input type="checkbox"/>	Semester 1	<input type="checkbox"/>	Semester 2	<input type="checkbox"/>	Summer
Semester						

Course Description:

This course focuses on the internal use of cost accounting data for managerial purposes. Therefore, this course covers a set of topics related to : master budget, variance analysis, behavioral aspects of variance analysis, relevant cost for decision making process, decision theory, performance evaluation, transfer pricing , Cost-volume-profit analysis; Break-even analysis in the present manufacturing environment.

Objectives:

On completion of this course, students will be able to understand:

- Budgeting
- Standard Costing and Variance Analysis
- Marginal Costing and Break-even Analysis

Learning Outcomes:

The expected learning outcomes of this course are:

- Budgeting
- Standard Costing and Variance Analysis
- Marginal Costing and Break-even Analysis

Skills to be developed throughout the Course:

Students will develop their analytical and oral communication skills via case study work carried out in seminar sessions. Information technology and written communication skills will be developed when completing the written assignment

which will also test student's creative skills and their abilities to present theoretical informations in practical situations.

Students are encouraged to make use of IT facilities particularly web sites to support research and reading.

Learning Resources:

Text Books

<u>Author</u>	<u>Title</u>	<u>Publisher</u>	<u>Year</u>
Homgran, C.T., Gary L. Sundem and Walliam O. Stratton	Introduction to Management Accounting	Prentice Hall	2007
Welsch Glenn A., ronald W. Hilton and Paul N. Gordon	Budgeting, Profit Planning and Control	Prentice Hall	2008
Homgren, charles T., George Foster and Srikant M. Dailiar	Cost Accounting; A Managerial emphasis	Prentice Hall	2004

e- Library Reserves

- <http://www.emeraldinsight.com/insight>
- <http://www.businessnation.com/research/subject/accounting>

Internet

- Ebsco Business Premier: A database containing several hundred key business and management journals with full text articles updated daily.
- Courseware: Specific research support resources and documents, selectively posted to complement and build upon materials available in proctor's methodological text. Such documentation will typically be posted regularly.
- www.decailibrary.org
- www.ipl.org
- www.lib.utsa.edu/research/subject/accounting

Journals

- Decision support system
- Accounting forum
- Advances in Accounting
- Critical perspective on Accounting
- The British Accounting Review
- International journal of accounting

Delivery and Teaching Strategy: (Lecture, Online, Physical, blended, self directed through CD, web based courses and DVD)

Methods of Instruction: It would be based on Lecture, demonstration and assignment review. Questions are encouraged and participation is expected.

Assessment Strategy:

- First Mid Term Exam: 20 Marks to be held on.....Day,.....Month, 20..
- Second Mid Term Exam: 20 Marks to be held on.....Day,.....Month, 20..
- Attendance, Participation & Assignment: 10 Marks
- Final Exam: 50 Marks
- Total: 100 Marks

Syllabus Change Policy: This syllabus is a guide for the course and is subject to change with advanced notice.

<u>Course Contents:</u>
Introduction to Accounting: Management accounting and managerial decisions. Accounting Plan and Responsibility Centres: Meaning and significance of responsibility accounting; Responsibility centre -cost centre, profit centre and investment centre; Problems in transfer pricing; Objectives and determinants of responsibility centres.
Budgeting: Definition of budget; Essentials of budgeting; Types of budgets - functional, master, etc.; Fixed and flexible budget; Budgetary control; Zero-base budgeting; Performance budgeting.
Standard Costing and Variance Analysis: Standard costing as a control technique; Setting of standards and their revision; Variance analysis -meaning and importance, kinds of variances and their uses -material, labor and overhead variances; Disposal of variances; Relevance of variance analysis to budgeting and standard costing.
Marginal Costing and Break-even Analysis: Concept of marginal cost; Marginal costing and absorption costing; Marginal costing versus direct costing; Cost-volume-profit analysis; Break-even analysis; Assumptions and practical applications of break-even- analysis; Decisions regarding sales-mix, make or buy decisions and discontinuation of a product line etc.