



Victoria Management School

MMBA 509
Financial and Management Accounting

Trimester 1 2005

COURSE OUTLINE

Contact Details

Teaching Staff:

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Class Times and Room Numbers

Start Date: 22 February 2005

Format: One two-hour session each week.

Lecture Times: Tuesdays, 5:40 – 7:30 pm

Location: RH LT 3

Examination: During examination period 30 May 2005 – 19 June 2005

Course Objectives

The Master of Business Administration Programme aims to produce professional managers capable of fulfilling strategic roles within corporate and government enterprises. Managers make extensive use of accounting information in their day-to-day work and accounting information is fundamental to corporate governance in that it provides the means of making the organisation's management accountable to outsiders such as owners.

An understanding of basic financial concepts is considered by most, if not all, senior managers to be of critical importance to their – and their organisation's – success. Yet, for many, those concepts seem illusive and confused by jargon. This course is designed to overcome these difficulties and to enable students to understand the contribution to decision making of externally and internally reported financial information. These uses of accounting information are as applicable to government and non-profit organisations as they are to businesses.

More specifically, **the primary objectives of the course** are to enable participants to communicate effectively with financial – and other – colleagues in making strategic decisions by:

1. providing an understanding of key financial concepts;
2. enhancing participants' understanding and interpretation of external financial reports (i.e. published financial statements); and
3. enhancing participants' understanding of internal financial reports.

By the end of this course, you should:

1. be able to read and interpret published financial statements with an understanding of the key assumptions and conventions behind them;
2. understand how cost and revenue information can be used (and misused) in operational decisions; and
3. have a strategic perspective of the role of accounting in managing organisations.

Course Content

Teaching Method

Each week there will be a case-study session (approx. 30 minutes) with a set case-study or exercise. For each case-study session (except in the first week) a syndicate group will be assigned to give a presentation using illustrative material based on the subject matter covered in previous lectures. The rest of the class will be expected to have fully researched the case and to ask questions and provide feedback and constructive critique. This will be followed by a lecture (75-90 minutes) during which students may be required to undertake problems and calculations. Bring your calculators.

Tutorials will provide for syndicate work and individual assistance to provide immediate reinforcement of techniques covered in the last lecture.

Lecture Schedule - MMBA 509 – 2005

*Note: The indicated chapters should be read **before** the relevant class.*

<u>Week</u>	<u>Lecturer</u>	<u>Date</u>	<u>Topic</u>	<u>Text chapters</u>
1	LJE	22 Feb	Introductions and arrangements Accounting Basics – the building blocks	1
2	LJE	1 March	Measuring and reporting financial performance (Income Statement) Measuring and reporting financial position (Balance Sheet) Accounting for limited companies	2 3 4
3	LJE	8 March	Accounting for long-lived assets Sources of capital: Debt and Equity	12
4	LJE	15 March	Measuring and reporting cash flows (Cash Flow Statement) Working capital	5 11
5	LJE	22 April	Financial Statement Analysis	6
6	LJE	12 April	Interpreting and comparing corporate external financial reports	Readings
7	KB	19 April	Understanding cost behaviour Cost, Profit and Break-even Analysis	7 to p201
8	KB	26 April	Product Costing: Issues & Problems: Cost classification. Absorption costing	8 to p216
9	KB	3 May	Marginal costing: Relevant Costs and Decision Making	7 p201 to end
10	KB	10 May	Alternative Costing Techniques: Activity Based costing and Customer Profitability analysis	8 p216 to end
11	KB	17 May	Budgetary control. Divisional Performance Measurement	9 to p 262 & p274 to end
12	KB	24 May	Balanced Performance Measurement: Performance measurement models.	Readings

Readings

Textbook:* Atrill, P., and McLaney, E. (2004). Accounting and Finance for Non-Specialists (4th Edition). Prentice Hall.

Additional material may be posted on Blackboard or handed out.

* You are expected to obtain a copy of a recent annual report, preferably from your own organisation.

Materials and Equipment

Students are allowed to use calculators during the test and examination.

Assessment Requirements

Group presentations and reports	20%	During course
Mid-Term Test (Open Book)	30%	Date TBA
Final Examination (Open Book)	50%	University exam period

Group Presentations (20%) – Each group will be allocated case studies and will be required to prepare and present their considerations to the rest of the class and, for the same date, produce a concise written report conveying their findings. The allocation of presentation dates and case studies for each group will be done in week 1. The marks will be split 50/50, half for the quality and accuracy of the written report, half for the content and effective delivery of the presentation in class, paying attention to the quality both of the initial analysis and the responses to questions from the class. The written analysis should take the form of a consultants report (maximum 1200 words plus appendices) suitable for executives not able to attend the presentation and should be submitted both in paper and electronic form. Ideas obtained from other sources should be correctly referenced, and there should be a full reference list of sources referred to in the text. If students give their permission, reports and any electronic presentation materials made available will be posted on Blackboard as a learning resource for all students.

Mid-Term Test (30%) – The mid-term test will be similar to the final examination in form and approach. This test will be 2 hours long. It will take place on a date to be notified, shortly after the mid-term break.

Final Examination (50%) – This 2-hour examination will be scheduled during the final examination period. In accordance with Victoria MBA programme policy, students must obtain a minimum of 40% of the marks available on the final examination in order to pass the course.

Questions for the test and examination may involve multi-choice questions, short essay topics, problems or short cases. The test and final examination will be open book: any written materials may be used. Calculators may be used.

Penalties

Late Assignments

No marks will be available for case study reports submitted after the date of presentation. In the event of unusual, unforeseen circumstances (e.g., serious illness, family bereavement), students should discuss waiver of the penalty with the course controller prior to the deadline date.

Mandatory Course Requirements

Passing the Course

In order to pass this course, students are required to obtain at least 40% of the final examination marks available, and obtain at least 50% of the overall course marks available.

Communication of Additional Information

Additional information or information on changes will be posted on Blackboard.

General University Policies and Statutes

Students should familiarise themselves with the University's policies and statutes, particularly those regarding assessment and course of study requirements, and formal academic grievance procedures.

Student Conduct and Staff Conduct

The Statute on Student Conduct together with the Policy on Staff Conduct ensure that members of the University community are able to work, learn, study and participate in the academic and social aspects of the University's life in an atmosphere of safety and respect. The Statute on Student Conduct contains information on what conduct is prohibited and what steps can be taken if there is a complaint. For queries about complaint procedures under the Statute on Student Conduct, contact the Facilitator and Disputes Advisor. This Statute is available in the Faculty Student Administration Office or on the website at:

www.vuw.ac.nz/policy/StudentConduct.

The policy on Staff Conduct can be found on the VUW website at:

www.vuw.ac.nz/policy/StaffConduct.

Academic Grievances

If you have any academic problems with your course you should talk to the tutor or lecturer concerned or, if you are not satisfied with the result of that meeting, see the Head of School or the Associate Dean (Students) of your Faculty. Class representatives are available to assist you with this process. If, after trying the above channels, you are still unsatisfied, formal grievance procedures can be invoked. These are set out in the Academic Grievances Policy which is published on the VUW website:

www.vuw.ac.nz/policy/AcademicGrievances.

Academic Integrity and Plagiarism

Academic integrity is about honesty – put simply it means **no cheating**. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times.

Plagiarism is a form of cheating which undermines academic integrity. Plagiarism is **prohibited** at Victoria.

The University defines plagiarism as follows:

Plagiarism is presenting someone else's work as if it were your own, whether you mean to or not.

'Someone else's work' means anything that is not your own idea, even if it is presented in your own style. It includes material from books, journals or any other printed source, the work of other students or staff, information from the Internet, software programmes and other electronic material, designs and ideas. It also includes the organization or structuring of any such material.

Plagiarism is not worth the risk.

Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct (www.vuw.ac.nz/policy/studentconduct) and may be penalized severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning
- suspension from class or university
- cancellation of your mark for an assessment or a fail grade for the course.

Find out more about plagiarism and how to avoid it, on the University's website at: www.vuw.ac.nz/home/studying/plagiarism.html.

Students with Disabilities

The University has a policy of reasonable accommodation of the needs of students with disabilities. The policy aims to give students with disabilities an equal opportunity with all other students to demonstrate their abilities. If you have a disability, impairment or chronic medical condition (temporary, permanent or recurring) that may impact on your ability to participate, learn and/or achieve in lectures and tutorials or in meeting the course requirements, then please contact the Course Coordinator as early in the course as possible. Alternatively you may wish to approach a Student Adviser from Disability Support Services to confidentially discuss your individual needs and the options and support that are available. Disability Support Services are located on Level 1, Robert Stout Building, or phoning 463-6070, email: disability@vuw.ac.nz. The name of your School's Disability Liaison Person can be obtained from the Administrative Assistant or the School Prospectus.

Student Support

Staff at Victoria want students' learning experiences at the University to be positive. If your academic progress is causing you concern, please contact the relevant Course Co-ordinator, or Associate Dean who will either help you directly or put you in contact with someone who can.

The Student Services Group is also available to provide a variety of support and services. Find out more at www.vuw.ac.nz/st_services/ or email student-services@vuw.ac.nz.

VUWSA employs two Education Coordinators who deal with academic problems and provide support, advice and advocacy services, as well as organising class representatives and faculty delegates. The Education Office is located on the ground floor, Student Union Building, phone 463 6983 or 463 6984, email education@vuwsa.org.nz.