

VICTORIA MANAGEMENT SCHOOL

MMBA 509

Financial and Management Accounting

Trimester 1 2006

COURSE OUTLINE

Contact Details

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Class Times and Room Numbers

Start Date: 01 March 2006

Format: One two-hour session each week.

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

Location: RWW 501

Examination: During examination period 5 June 2006 – 23 June 2006

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

The course will be a mixture of case studies, lectures and workshop sessions during which students may be required to undertake problems and calculations. Bring your calculators. All students are expected to have fully researched any case study and be prepared to ask and answer questions and provide feedback and constructive critique

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

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.

Materials and Equipment

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

You will need a simple calculator. Students are allowed to use calculators during the test and examination.

Assessment Requirements

Assignments	20%	During course
Mid-Term Test (Open Book)	30%	Date TBA
Final Examination (Open Book)	50%	During examination period 5 – 23 June 2006

Assignments (20%) – There will be two equally weighted assignments, one on the financial accounting material in the course and one on the management accounting material.

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, before the mid-term break.

Final Examination (50%) – This 2-hour examination will be scheduled during the final examination period.

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

In fairness to other students, work submitted after the deadline will not be accepted. A “zero” mark will be applied. 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 forty percent of the final examination marks available, and obtain at least fifty percent of the overall course marks available.

Victoria MBA Grading Standards are as follows:

Excellent Category

A- (75 – 79%) to A (80 – 85%) to A+ (above 85%): The learning is demonstrated to a very high level of proficiency, i.e. it is at a standard that makes it exceptional at Master's level.

Very Good Category

B+ (70 – 74%): The learning is demonstrated at a high standard. Students have reached a level that clearly exceeds “competency”.

Good Category

B (65 – 69%): The learning is clearly demonstrated without being exceptional in any way. Students can be thought of as fully competent.

Satisfactory Category

B- (60 – 64%): The learning is demonstrated without being exceptional in any way. Students can be thought of as competent.

Marginal Category

C (50 – 54%) to C+ (55 – 59%): The learning is demonstrated to a minimally acceptable level. There may be flaws but these are not serious enough to “fail” the student.

Unsatisfactory / Failure Category

E (0 – 39%) to D (40 – 49%): The learning is absent or performed to a very low level, or the performance is seriously flawed.

Individual Work

While the Victoria MBA programme has a tradition of study group collaboration, there are important elements in the assessment process that are strictly individual. Collaboration on individual assignments is not allowed beyond general discussion as to how one might interpret the nature of the assignment question. Please do not work together to formulate a response and do not loan out your assignments.

Referencing

There are many different styles of referencing and the Faculty of Commerce & Administration at VUW has decided to make APA (American Psychological Association) referencing style the common standard across the Faculty. The Commerce and Central Libraries hold the APA Style Guide. You can also access the information from the online VUW library site (<http://www.vuw.ac.nz/library/resources/virtualref.shtml#style>).

Communication of Additional Information

Blackboard will be used to confirm arrangements given in class and to provide additional material. It is important that students ensure they have current access before the course starts or as soon as possible thereafter.

Lecture Schedule – MMBA - 509

*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	1 March	Introductions and arrangements Accounting Basics – the building blocks	1
2	LJE	8 March	Measuring and reporting financial performance (Income Statement) Measuring and reporting financial position (Balance Sheet) Accounting for limited companies	2 3 4
3	LJE	15 March	Accounting for long-lived assets Sources of capital: Debt and Equity	12
4	LJE	22 March	Measuring and reporting cash flows (Cash Flow Statement) Working capital	5 11
5	LJE	29 March	Financial Statement Analysis	6
6	LJE	05 April	Interpreting and comparing corporate external financial reports	Readings
7	BsK	26 April	Understanding cost behaviour Cost, Profit and Break-even Analysis	7 to p201
8	BsK	03 May	Product Costing: Issues & Problems: Cost classification. Absorption costing	8 to p216
9	BsK	10 May	Marginal costing: Relevant Costs and Decision Making	7 p201 to end
10	BsK	17 May	Alternative Costing Techniques: Activity Based costing and Customer Profitability analysis	8 p216 to end
11	BsK	24 May	Budgetary control. Divisional Performance Measurement	9 to p 262 & p274 to end
12	BsK	31 May	Balanced Performance Measurement: Performance measurement models.	Readings

Faculty of Commerce and Administration Offices

Railway West Wing (RWW) - FCA Student Administration Office

The Student Administration Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and

FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications. To check for opening hours call the office on (04) 463 5376.

Easterfield (EA) - FCA/Law Kelburn Office

The Kelburn Campus Office for the Faculties of Commerce & Administration and Law is situated in the Easterfield Building - it includes the ground floor reception desk (EA005) and offices 125a to 131 (Level 1). The office is available for the following:

- Duty tutors for student contact and advice.
- Information concerning administrative and academic matters.
- FCA Student Administration forms (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examinations-related information during the examination period.

Check with the Student Administration Office for opening times (04) 463 5376.

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.

Manaaki Pihipihinga Maori and Pacific Mentoring programme (Faculties of Humanities and Social sciences and Commerce and Administration).

- **What:** Academic Mentoring for Maori and Pacific students studying at all levels in the above faculties. Weekly sessions for an hour with a mentor to go over assignments

and any questions from tutorials or lectures. Registered students can use the faculty's study rooms and computer suite at any time at Kelburn and Pipitea.

- Mature student and Post grad network

If you would like to register as a mentor or mentee please contact the coordinator.

Where:

Melissa Dunlop
Programme Coordinator
Room 109 D
14 Kelburn Parade: back courtyard
Ph: (04) 463 6015
Email: Maori-Pacific-Mentoring@vuw.ac.nz

Please Note: A mentoring room will also be running at Pipitea Campus starting January. Please contact the Programme Coordinator for details.