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School of Accounting and Commercial Law

## **ACCY 223 - MANAGEMENT ACCOUNTING**

Trimester Two 2015

### **COURSE OUTLINE**

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<b>Names and Contact Details</b>	<b>Office</b>	<b>Telephone</b>
Course Coordinator & Lecturer: Dr Rodney Dormer <a href="mailto:rodney.dormer@vuw.ac.nz">rodney.dormer@vuw.ac.nz</a>	RH 727	463-5233 extn. 7009
Lecturer: Dr Ainul Islam <a href="mailto:ainul.islam@vuw.ac.nz">ainul.islam@vuw.ac.nz</a>	RH 604	463-6107
Lecturer: Clare Markham <a href="mailto:clare.markham@vuw.ac.nz">clare.markham@vuw.ac.nz</a>	RH 612	463-5223 extn, 8093
Administrator: Ms Rachel Qi <a href="mailto:rachel.qi@vuw.ac.nz">rachel.qi@vuw.ac.nz</a> Office hours: Monday-Friday, 8.30am-5pm (Note: Office closed 10.30am-10.45am and 3.30pm-3.45pm)	RH 708	463-7465

### **Trimester Dates**

Teaching Period: Monday 13<sup>th</sup> July – Friday 16<sup>th</sup> October  
Study Period: Monday 19<sup>th</sup> October – Thursday 22<sup>nd</sup> October  
Examination Period: Friday 23<sup>rd</sup> October – Saturday 14<sup>th</sup> November (inclusive)

### **Withdrawal from Course**

1. Your fees will be refunded if you withdraw from this course on or before **Friday 24 July 2015**.
2. The standard last date for withdrawal from this course is **Friday 25 September 2015**. After this date, students forced to withdraw by circumstances beyond their control must apply for permission on an 'Application for Associate Dean's Permission to Withdraw Late' including supporting documentation. The application form is available from either of the Faculty's Student Customer Service Desks.

### **Class Times and Room Numbers:**

Tuesday 10.30 a.m. – 11.20 pm RHLT1, Pipitea Campus  
Thursday 10.30 a.m. – 11.20 pm RHLT1, Pipitea Campus

**Tutorials** – there are eight tutorials in this course, refer to page 7 for details.

## Planned Course Content

Wk No.	Week commencing:	Weekly Topic Timetable	Chap	Tutorial s	Assignments due by 2 pm on Tuesdays
1	13 July RD	Introduction to Management Accounting – Different costs for different purposes.	1 Plus 3.1 and 3.2		
2	20 July RD	Marginal and absorption costing approaches to profit measurement.	Topic focus 3	Cam Ltd. <b>Break-even Case.</b>	<i>Assignment 1 – Report on Cam Ltd by 2 pm Tuesday 28 July.</i>
3	27 July RD	Job and batch costing in manufacturing and services.	Ch 4 (units 4.3 & 4.4)	Hataitai Hinges. <b>MC v AC problem</b>	
4	3 August AI	Absorption costing: multiple bases and service departments.	Supplied Reading	Pipitea Legal Services <b>Job Costing Case</b>	
<b>5</b>	<b>Mon 10 Aug</b>	<b>Test 1 - On work in lecture weeks 1 to 3</b>			
5	10 August AI	Decision making: special pricing, make or buy, limiting factor.	Ch 8		
6	17 August AI	Decision making (continued). Drop a product/sector decisions.	Ch 8	GNK Ltd. <b>Outsourcing Case</b>	<i>Assignment 2 – Report on GNK Ltd by 2 pm Tuesday 8 September.</i>
<b>Mid Trimester Break: 24 August – 6 September</b>					
7	7 September RD	Strategy, planning and budgeting. The need for flexible budgets.	Ch 5		
8	14 September RD	Flexible budgets and performance analysis	Ch 6 (unit 6.1)	The Rotorua Hospital Laundry. <b>Budgeting Case</b>	
<b>9</b>	<b>Thur 24 Sept</b>	<b>Test 2 - On work in lectures weeks 4 to 7</b>			
9	21 September CM	Standard marginal costing and variance analysis.	Ch 5 (unit 5.2) and Ch 6 (units 6.2 and 6.4)		
10	28 September CM	ABC cost hierarchy and drivers. ABC in services and manufacturing.	Ch7 & Topic focus 5	Grazie Nonna. <b>Full variance analysis case</b>	
11	5 October CM	The Pricing Decision	Ch3 (unit 3.4)	KitTab Ltd. <b>ABC Case</b>	<i>Assignment 3 – Report on KitTab Ltd by 2 pm Tuesday 13 October.</i>
12	12 October RD	Segment Reporting and Balanced Performance Measurement	10.1, 10.2 and 11.1	The Vend-a-Bar Supply Company. <b>Pricing Case.</b>	

Chap = chapter (in course text). Appx = Appendix.

AI = Ainul Islam CM = Clare Markham RD = Rodney Dormer

Please note: this outline of course content is a guideline only and variations may occur.

## Course Learning Objectives

Upon successful completion of this course, you should be able to:

1. Explain the role of management accounting in organisations;
2. Demonstrate the use of alternative costing techniques;
3. Understand the principles and use of standard costing and variance analysis and their behavioural implications; and
4. Use management accounting techniques for short term decision making.

## Course Pre-requisites

The prerequisites for this course are ACCY001 Bookkeeping, ACCY111 Accounting and ECON130 Economics. You will therefore be expected to be conversant with the following topics: CVP analysis; Budgeting (master budget including the cash forecast; fixed budget and overall variances; behavioural aspects of budgeting); Investment appraisal; Theory of the firm; alternative market structures (monopoly, etc.) and competitive behaviour.

If you have not passed these courses, please see the Course Coordinator.

## Course Delivery

The formal instruction in this course consists of 24 lectures of 50 minutes each, plus eight tutorials of 50 minutes each. Before attending the lectures, you should read the assigned chapter from the text, and any other required readings, and print off any lecture notes from Blackboard. Before each tutorial, you should read, *and work through*, the prescribed tutorial question or mini case. Three of the tutorial mini cases will be set as assignments.

After the benefit of guidance in the tutorial, you are required to prepare comprehensive answers to these assignments and hand them in by the set deadline. Tutors will mark them and provide appropriate feedback. Completion of course assignments and a review of learning in the light of feedback received is essential preparation for the Tests and Final Exam.

## Expected Workload

It is expected that an average of 10 hours per week will be spent on this course during the 12 teaching weeks, and the total expected workload for this course is 150 hours.

This should roughly consist of the following:

- 31 hours Lectures and tutorial attendance
- 40 hours Pre- and post-lecture reading and question practice.
- 40 hours Tutorial question and mini case study preparation (including assignments)
- 39 hours Revision of material for the two tests and the examination

## Group Work

There is no assessed group work in this course. However you may be expected to work in groups during tutorials and you are encouraged to work in groups outside tutorials from time to time to discuss topics and issues raised in lectures. This may include initial preparation of draft answers to tutorial questions and mini cases, but **please note that the submitted final answers to the three assignments should be your own individual effort.**

## Prescription

The theory and practice of cost and management accounting.

## Readings

The set text is: **C.E. Davis & E. Davis (2014), *Managerial Accounting*, (2<sup>nd</sup> Ed), Wiley.**

The relevant readings in the set textbook for each lecture topic are indicated in the Planned Course Content (page 2). You are also advised to work through relevant practice exercises in the course text.

As well as the set text, students are required to purchase a copy of the *Course Materials Book* from the VUW bookshop (Pipitea Campus). The Course Materials Book contains all tutorial questions and mini cases, including the three mandatory assignments. It also contains a description of how tutorials will be used to support and reinforce the material delivered in lectures. There is also guidance on answering case studies and there are extra exam/test style questions to help you practice the application of management accounting, and prepare thoroughly for the two tests and the final examination. Answers to these extra questions will be provided via blackboard.

### *Additional books*

The following books have been placed on closed reserve or 3-day loan in the Commerce Library as they are useful alternative or backup reading.

- Garrison, R., Noreen, E. and Brewer, P. (2015), *Managerial Accounting*, 15<sup>th</sup> Edn. McGraw-Hill, Australia.
- Horngren, C.T., Datar, S.M., Foster, G., Rajan, M., Ittner, C., Wynder, M., Maguire, W. and Tan, R. (2014), *Cost Accounting: A Managerial Emphasis*, 2<sup>nd</sup> Edn. Pearson Australia, French Forest NSW.

Additional useful readings may be recommended in lectures and/or indicated via Blackboard.

## Materials and Equipment

The two course tests and the examination are **closed book**. The materials permitted in the two tests and the examination are as follows:

- Non-programmable silent electronic calculators and programmable ones with memory cleared.
- Non-electronic foreign language/English translation dictionaries.

## Assessment Requirements

The Assessment Handbook will apply to all VUW courses: see

<http://www.victoria.ac.nz/documents/policy/staff-policy/assessment-handbook.pdf>.

To pass this course, you must obtain a weighted average mark of 50% or more from the assessment items stated below:

### **1. Test 1 – Week 5 – Monday 10 August**

*Weighting: 20%*

This test is 45 minutes long and covers any of the material introduced during lectures in the first three weeks of the trimester, including material subsequently reinforced during tutorials, assignments, and/or by any extra work given by the lecturer(s).

## **2. Test 2 – Week 9 – Thursday 24 September**

*Weighting: 20%*

This test is 45 minutes long and covers any of the material introduced during lectures in weeks 4 to 7, including material subsequently reinforced during tutorials, assignments, and/or by any extra work given by the lecturer(s).

## **3. Final Examination, held during the examination period**

*Weighting: 60%*

The final examination is two hours long and will assess material studied during the whole 12 week trimester. An emphasis will be placed on material not previously assessed in tests, in particular the material covered in the last five weeks. However, the integrative nature of management accounting requires that all course material should be thoroughly revised and drawn on as appropriate in exam question answers. This is particularly important in regard to the typical mini case study questions used for assessment in tests and exams.

## **Examinations**

Students who enrol in courses with examinations are obliged to attend an examination at the University at any time during the formal examination period.

The final examination for this course will be scheduled at some time during the period from Friday 23 October – Saturday 14 November (inclusive).

## **Mandatory Course Requirements**

In addition to obtaining an overall course mark of 50% or more, students must:

- Complete and submit, on time, a bona fide attempt (see definition on blackboard) at the **THREE** assignments.
- Attend at least **6 out of 8** tutorials.

You are strongly recommended to attend all 8 tutorials. An attendance register will be kept for tutorials. Please notify the tutor and Course Administrator in advance if exceptional circumstances prevent you from attending a tutorial. Note that changes to tutorial streams are not allowed except in cases approved by the Course Administrator.

If you cannot complete an assignment or sit a test or examination, refer to [www.victoria.ac.nz/home/study/exams-and-assessments/aegrotat](http://www.victoria.ac.nz/home/study/exams-and-assessments/aegrotat)

*If you attend less than 6 of the tutorials, you will need to produce medical certificate or equivalent documentation for all tutorials missed or you risk failing the mandatory course requirements.*

A list of those students who have not met the mandatory course requirement will be posted on Blackboard by 12 noon on **Thursday 22 October 2015**. Students who have not met the mandatory course requirement will receive a K, D, or E grade for the course.

## **Assignments**

You have THREE assignments due to be handed in **by 2.00 pm** on the following days:

- No 1: **Tuesday 28 July 2015** = Cam Ltd. – Revision of break-even
- No 2: **Tuesday 8 September 2015** = GNK Ltd. – Decision making

- No 3: **Tuesday 13 October 2015** = KitTab Ltd - ABC

The mini case studies for the assignments are in the Course Materials Book.

The assignments are regarded as formative assessment and so your answers will be marked to give you appropriate feedback on your progress throughout the course. The actual marks awarded will not count towards your overall course assessment mark, but the work put into preparation of these assignments, and the review of feedback, is essential preparation for tests and exams. There has been a strong correlation between assessment marks and subsequent test and exam marks achieved.

For each assignment, complete an assignment cover sheet (available via blackboard) and staple to your assignment. Place your assignment in the **ACCY 223 Boxes** on the mezzanine floor of Rutherford House **no later than 2.00 p.m. on the due date**. Assignments should be returned to you during the following tutorial session. The *suggested solutions* will be posted on Blackboard. Your assignments must be recorded as submitted to comply with the mandatory course requirements. However, recording errors and the loss of assignments do occur. For this reason, you may be required to re-submit some of your completed assignments. **You should therefore retain a copy of each assignment you submit and keep returned, marked assignments in a safe place** so that they can be provided as proof of submission.

Note: Lecturers may assign other examples as extra “homework”. Solutions to these examples, where available in electronic form, will be provided on Blackboard.

### **Late Assignment Penalties**

Answers to assignments must be handed in by the due date unless a prior extension has been granted by the Course Coordinator or unless proof of exceptional circumstances (e.g. a medical certificate) can be produced subsequently. Unless there are exceptional circumstances, late submission of any assignment, or submission of an inadequate attempt at an assignment (see blackboard), will be treated as non-submission and will lead to failure of the mandatory course requirements (and hence the overall course) **unless the course coordinator agrees that the circumstances warrant the substitution of an alternative assignment**. If you have not handed in a course assignment, or have handed one in late, and hence are in breach of mandatory course requirements, **please contact the Course Coordinator at the earliest opportunity**.

Please note that any copying of assignments answers will be considered plagiarism and dealt with according to the policy outlined at <http://www.victoria.ac.nz/home/study/plagiarism.aspx>

### **Class Representative**

A class representative will be elected in the first class, and that person’s name and contact details made available to VUWSA, the Course Coordinator, Course Administrator, and the class. The class representative provides a communication channel to liaise with the Course Coordinator on behalf of students.

### **Communication of Additional Information**

Additional information concerning this course will be provided in lectures or posted on Blackboard.

### **Student feedback**

Student feedback on University courses may be found at [www.cad.vuw.ac.nz/feedback/feedback\\_display.php](http://www.cad.vuw.ac.nz/feedback/feedback_display.php)

## Use of Turnitin

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <http://www.turnitin.com>. Turnitin is an on-line plagiarism prevention tool which compares submitted work with a very large database of existing material. At the discretion of the Head of School, handwritten work may be copy-typed by the School and subject to checking by Turnitin. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

## Tutorials

There will be eight tutorial sessions, starting in week 2. There are no tutorials in weeks 1, 5, 7 and 9. The questions for the tutorials are in the Course Materials Book.

Please note that students are expected to come to the tutorials having prepared and able to discuss answers to the mini case studies.

Suggested solutions will be provided on Blackboard after the tutorials, or after the hand in date where they relate to the three assignments.

Finally, unless there are special circumstances and you have made alternative arrangement through the course coordinator, **you must always attend the tutorial sessions that you have signed up for**. If you attend a different session, your attendance may not be recorded and you may therefore fail the mandatory course requirements.

## Tutorial Group Sign-up

**Please note that tutorials start in week 2, hence it is essential that you sign up for a tutorial group promptly in week 1.**

Tutorial sign up will be on line. Detailed tutorial sign-up instructions, including sign-up times, are provided on Blackboard. You may sign up for tutorials between **9am on Tuesday 14 July and midnight on Wednesday 15 July**.

The completed tutorial group lists will be available by **Friday 17 July 2015**.

Subsequent changes can only be made if the course administrator agrees.

Your tutorial group number should be noted on all assignments.

## Link to general information

For general information about course-related matters, go to <http://www.victoria.ac.nz/vbs/studenthelp/general-course-information>

## Note to Students

Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and academic audit. The findings may be used to inform changes aimed at improving the quality of VBS programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

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