

Al-Madinah International University (MEDIU)  
MQA-01 Document  
Area 2: Curriculum Design and Delivery-Foundation Subjects

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**(4) Managerial Accounting-BACC2023**

1.	Name of Course				Managerial Accounting			
2.	Course Code				BACC2023			
3.	Name(s) of academic staff							
4.	Rationale for the inclusion of the course/module in the programme				Management accounts are invaluable when it comes to a company making important and timely management decisions about their business. It is clear that different businesses will have different management needs and this will depend on the areas that the business finds are most important to them. This course provides students with an introduction to managerial accounting and methods used to report information to users internal to the firm. Cost accounting, budgeting, standard cost systems, reporting and analyzing performance are among the methods covered. The student taking this course will acquire a basic understanding of the most commonly used methods for using information from the firm's accounting and information systems to assist in making important managerial decisions.			
5.	Semester and Year offered				1/2			
6.	Total Student Learning Time (SLT)		Face to Face			Total Guided and Independent Learning		
	L = Lecture T = Tutorial P = Practical O= Others		L	T	P	O	Guided = 42 Independent = 84 Total = 126	
			28	14				
7.	Credit Value				3			
8.	Prerequisite (if any)				None			
9.	Objectives:							

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	<ul style="list-style-type: none"><li>• Gain an introduction to accounting techniques used by internal management to aid in planning, directing, controlling, and decision-making activities.</li><li>• Use accounting data to identify and analyze alternatives with the purpose of making managerial choices to maximize economic benefits to a firm.</li><li>• Familiarize themselves with technical skills used in problem-solving, such as determining unit product costs, measuring production process costs, budgeting, performance reporting, and efficient allocation of a firm's resources.</li><li>• Gain experience with computerized spreadsheets and other electronic tools used in business problem-solving, budgeting, and financial analysis.</li><li>• Obtain a working background with accounting tools as a foundation for further study in management, accounting, and other business discipline</li></ul>
10.	<p>Learning outcomes: At the completion of the subject, students should be able to perform the following tasks:</p> <ul style="list-style-type: none"><li>• To analyze and interpret managerial accounting reports that provides both objective measures of past operations and subjective estimates about future decisions</li><li>• To analyze and interpret cost behaviour</li><li>• To understand various cost systems: e.g. Job Order Costing, Process Costing</li><li>• Evaluate the organizational role of management accountants and describe accounting systems used by manufacturing businesses</li><li>• Apply and interpret basic financial statement analysis</li><li>• Summarize and interpret cash flow activities</li><li>• Describe and illustrate income analysis under various costing assumption</li><li>• Describe the basic elements of the budgeting process, its objectives, and its impact on human behaviour</li><li>• To analyze the types of standards, how they are used in budgeting and how they are established for businesses</li><li>• Prepare a differential analysis report for decision making</li><li>• To be able to apply and analyze product costing allocation methods</li><li>• Analyze Capital Investment Alternatives</li></ul>
11.	<p>Transferable Skills:</p> <p>Topics covered will enable students to analyze and interpret both historical and estimated data used by management to conduct daily operations, plan future operations, and develop overall business strategies. The emphasis will be on Managerial Accounting</p>

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12.	<p>Teaching-learning and assessment strategy</p> <p>A variety of teaching and learning strategies are used throughout the course, including:</p> <ul style="list-style-type: none"> <li>• Lecture sessions</li> <li>• Tutorial sessions</li> <li>• Case Studies</li> <li>• Student-Lecturer discussion</li> <li>• Collaborative and co-operative learning</li> <li>• Workshops and Training Seminars</li> <li>• Independent study</li> </ul> <p>Assessment strategies include the following:</p> <ul style="list-style-type: none"> <li>• Ongoing quizzes</li> <li>• Midterm tests</li> <li>• Performance Assessment (Participation, project, Assigned exercises)</li> <li>• Case Presentations</li> </ul>														
13.	<p>Synopsis:</p> <p>This course provides a comprehensive, graduate level exploration of managerial accounting. The course focuses on the use of accounting data in the management of an organization. Managerial Accounting is a sub-area of accounting concerned with information needed to effectively plan and control company operations and make good business decisions. The overall objective of this course is to provide students with the concepts and tools needed to understand and effectively use managerial accounting information.</p>														
14.	<p>Mode of Delivery: Face to Face</p> <ul style="list-style-type: none"> <li>• Lecture sessions</li> <li>• Tutorial sessions</li> </ul>														
15.	<p>Assessment Methods and Types:</p> <p>The assessment for this course will be based on the following:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Coursework</td><td style="text-align: center;"><b>50%</b></td></tr> <tr> <td style="text-align: center;">Quizzes</td><td style="text-align: center;">10%</td></tr> <tr> <td style="text-align: center;">Assignments</td><td style="text-align: center;">10%</td></tr> <tr> <td style="text-align: center;">Project</td><td style="text-align: center;">10%</td></tr> <tr> <td style="text-align: center;">Mid-Semester Exam</td><td style="text-align: center;">20%</td></tr> <tr> <td style="text-align: center;">Final Examination</td><td style="text-align: center;"><b>50%.</b></td></tr> <tr> <td style="text-align: center;"><b>Total</b></td><td style="text-align: center;"><b>100%</b></td></tr> </table>	Coursework	<b>50%</b>	Quizzes	10%	Assignments	10%	Project	10%	Mid-Semester Exam	20%	Final Examination	<b>50%.</b>	<b>Total</b>	<b>100%</b>
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16.	Mapping of the course/module to the Programme Aims The individual course is mapped to the programme aims using a scale of <b>one</b> to <b>five</b> where (one being the least relevant/related and five being the most relevant/ related).												
	A1		A2		A3		A4		A5		A6		
	5		4		4		4		4		3		
17.	Mapping of the course/module to the Programme Learning Outcomes The learning outcomes of this course are mapped to the eight MQF domains using a scale of <b>one</b> to <b>five</b> where (one being the least relevant/related and five being the most relevant/ related).												
	LO1	LO2	LO3	LO4	LO5	LO6	LO7	LO8	LO9	LO10	LO11	LO12	
	4	2	2	3	2	3	2	2	4	2	4	2	

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18.	Content outline of the course/module and the SLT per topic					
	WEEK	Details	SLT			
			L	T	Indep.	Total
	WEEK 1	<b>Introduction to Management Accounting</b> <ul style="list-style-type: none"> <li>Financial accounting vs. Management Accounting</li> <li>Management Functions: Planning, Directing and Motivating and Controlling</li> <li>Types of costs particularly in manufacturing concerns</li> <li>Cost classification on financial statement</li> <li>General overview on the trends in managerial accounting – JIT, TQM,</li> <li>Theory of Constraint</li> </ul>	2	1	6	9
	WEEK 2, 3	<b>Product costing</b> <ul style="list-style-type: none"> <li>Provides overview of cost accounting systems and issues</li> <li>Analyse the cost flows</li> <li>Record keeping</li> <li>Job Order Costing,</li> <li>Process Costing</li> <li>Activity Based Costing</li> <li>Problem of overhead</li> </ul>	4	2	12	18
	WEEK 4, 5	<b>Cost behaviour</b> <ul style="list-style-type: none"> <li>Cost Behaviour Analysis</li> <li>Variable and fixed costs</li> <li>Mixed costs</li> <li>Contribution margin and the importance of Contribution Margin</li> <li>Computation of variable and fixed portions in mixed costs</li> </ul>	4	2	12	18

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	WEEK 6, 7	<b>Cost-Volume-Profit Relationship</b> <ul style="list-style-type: none"> <li>• Components and assumptions of CVP analysis</li> <li>• Calculation of the breakeven point</li> <li>• Margin of safety</li> <li>• Target net income</li> <li>• CVP income statement</li> </ul>	4	2	12	18
	WEEK 8, 9	<b>Budgetary planning and control</b> <ul style="list-style-type: none"> <li>• Benefits of budgeting</li> <li>• Process of assembling information for the master budget</li> <li>• Preparation of income statement, balance sheet, and cash budget</li> <li>• Budgets to control costs and operations</li> <li>• Contrasts static budgets and flexible budgets</li> <li>• Reporting systems</li> <li>• Cost centres, profit centres and investment centres</li> <li>• Centre evaluations</li> </ul>	4	2	12	18
	WEEK 10, 11	<b>Performance evaluation through standard cost</b> <ul style="list-style-type: none"> <li>• Standard and a budget</li> <li>• Advantages of standard costs and methods of computing</li> <li>• Computation of the direct material, direct labour and manufacturing overhead variances</li> <li>• Causes of the variances</li> </ul>	4	2	12	18
	WEEK 12, 13	<b>Relevant information for decision making</b> <ul style="list-style-type: none"> <li>• Concept of incremental analysis</li> <li>• Relevant cost, opportunity costs and sunk costs</li> <li>• Incremental analysis</li> <li>• Accept an order at a special price</li> <li>• Make or buy</li> <li>• Sell or process further</li> <li>• Retain and replace equipment</li> <li>• Elimination of an unprofitable segment</li> <li>• Sales mix issues including how to allocate limited resources across multiple products and how to determine break-even points with more than one product</li> </ul>	4	2	12	18

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	WEEK 14	<b>Pricing decisions</b> <ul style="list-style-type: none"> <li>• Explain the environments in which a seller operates i.e.: price taker or price setter</li> <li>• Cost plus pricing</li> <li>• Time and materials pricing</li> <li>• Transfer pricing</li> <li>• Factors to be considered in pricing</li> </ul>	4	2	12	18
		Total	28	14	84	126
19.	<b>Main references supporting the course:</b>  Weygandt, Keiso and Kimmel. (2009). <i>Managerial Accounting: Tools for Business Decision Making</i> . Wiley, (5 <sup>th</sup> Edition)					
	<b>Additional references supporting the course:</b>  1. Oliver & Horngren. (2009). <i>Managerial Accounting</i> . Pearson (1 <sup>st</sup> Edition) 2. Maryanne M. Mowen, Don R. Hansen, Dan L. Heitger. (2009). <i>Cornerstones of Managerial Accounting</i> . Cengage Learning, (3 <sup>rd</sup> Edition) 3. Eric Noreen, Peter C. Brewer, Ray H Garrison. (2010). <i>Managerial Accounting for Managers</i> . McGraw-Hill					
20.	<b>Other additional information</b> All related subject materials will be available to the students during the period of the course					