

National University of Singapore

NUS Business School

Department of Accounting

COURSE OUTLINE

ACC2706 MANAGERIAL ACCOUNTING

Semester I, 2020/2021

Instructors

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1. Overview

The emphasis of the course is on the use of accounting information, often prepared by the management accountants, for use internally by managers in managing an organization. Students will gain an understanding of the information needed by managers in planning, control and decision-making, as well as the management accountants' obligation to themselves, their colleagues, their organization and the public interest to adhere to high standards of ethical conduct when preparing the information.

2. Module Objectives

The course takes a broad perspective in viewing management accounting as the efficient and effective use of resources, supporting managers in the improvement of customer and shareholder values, across a range of areas including strategy, marketing and organizational behavior. It also looks at the implications of the rapidly changing environment in the development of new approaches to management accounting, and the need for management to understand and manage any adverse impact of their decisions on the environment and society. Real-life examples of current management accounting practices of organizations

in Australia and the Asia-Pacific region will be incorporated into the reading materials whenever possible.

3. Evaluation

10%	Class participation (A)
15%	Presentation (B)
10%	Test 1 (Week 4; On topics covered up to Week 3) (C)
15%	Test 2 (Week 7; On topics covered up to Week 6) (C)
50%	Final examination (D)

- (A) Class participation is assessed in two ways: (1) students' attendance in classes (5%), and (2) students' participation in class discussions (5%);
- (B) Evaluation of the problem-solving presentation in which each team does one presentation over the semester. The evaluation is based on (1) timely submission (via email to your instructor) of the solution slides by noon on the Saturday before the start of the class; (2) accuracy of the solutions; (3) stimulation of class discussions during- and after- the presentation. It is assumed that each member in a team will contribute equally and therefore be given the same mark for the presentation. In cases where there is a dispute on the extent of contribution for a team member in the project, the final mark may be adjusted at the discretion of the tutor after investigation.
- (C) The *close-book* tests would be conducted during your regular class. There will be no make-up tests unless under special considerations. Further details will be provided in due course.
- (D) Final examination is a *close-book exam* and is cumulative. You are allowed to bring one help sheet of A4 paper (double-sided in print or in handwriting). Note that you are NOT allowed to have any post-it note on the help sheet. All materials lectured in the course are examinable.

4. Reading Materials

Kim Langfield-Smith, David Smith, Paul Andon, Ronald Hilton and Helen Thorne, *Management Accounting: Information for Creating and Managing Value*, 8E, (2018), McGraw-Hill Education (Australia).

Additional reading material will be provided on topics not covered in the textbook.

Students are expected to visit the course website on LumiNUS regularly. Course announcements, lecture handouts, and other course-related documents are also going to be posted in the workbins on the course website.

5. Teaching Schedule

#	Topics	Text in the book
1	Introduction/overview of managerial accounting <i>Including difference between MA & FA, and how MA fits into Singapore Companies Act compliance requirements</i>	Chapter 1 & 2
2	Cost behavior, cost drivers and cost estimation ¹	Chapter 3
3	Cost-volume-profit analysis ²	Chapter 18
4	Product costing systems	Chapter 4
5	Process costing and operation costing	Chapter 5
6	A closer look at overhead costs ³ <i>Including detailed look into Absorption Costing vs Variable Costing</i>	Chapter 7
7	Activity-based costing	Chapter 8
8	Information for decisions: relevant costs and benefits & Pricing and product mix decisions <i>Including how to identify & obtain such information & relevance of quality-cost-time triangle to organizational decision making</i>	Chapter 19 & 20
9	Budgetary Systems Standard costs: direct material and direct labor <i>Including behavioural aspects of budgeting</i>	Chapter 9 & 10
10	Standard costs: flexible budgets & manufacturing overhead <i>Including analysis of sales price & sales volume variances, OH budget, volume, spending & efficiency variances, mix/yield variances and planning/operational variances</i>	Chapter 11
11	Managing and reporting performance	Chapter 12
12	Financial performance measures and incentive systems Strategic performance measurement systems <i>Including concepts of economic profit & cost of capital & use of the balanced score card in non-for-profit entities</i>	Chapter 13 & 14

¹ OLS regression analyses for cost estimation will be discussed in the tutorial class, but not required for the exam.

² Process costing using the FIFO method is not required for the exam.

³ Detailed calculation for reciprocal service methods is not required.

6. Academic Integrity

All students are expected to understand and adhere to the standards of Academic Integrity as stated in the National University of Singapore. Any student who violates the Academic Integrity Policy as implemented in this course is subject to sanctions as outlined in the Policy. If you have any questions about the policy, please consult the university administrative offices. Note that any plagiarism of tutorial presentation answers (from any source) is a breach of academic integrity that will be penalized.

In this course, all tests and exams are individual efforts. Calculators are permitted but laptops, hand-held smart technology devices or cell phones are not permitted to be used during an exam. Programmable calculators are NOT permitted to be used during exams.

7. Zoom Classes

Students are expected to turn on their webcam video camera so that their faces can be shown. Participation marks will be affected if one persistently keeps the video in a turned off mode. One, however, is free to enable the virtual background.

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Schedule for lectures and presentations of review questions

Week	Readings	Tutorial coverage	Tutorial questions	Optional tutorial questions **
1	Chapter 1 & 2: Introduction			
2	Chapter 3: Cost Behaviour	Chapter 1 & 2.	E2.21; E2.22; E2.24; E2.29; P2.32.	Q1.3; Q1.5; Q1.12; Q1.17; C1.40e; Q2.5; Q2.13.
3	Chapter 18: CVP Analysis	Chapter 3.	E3.29; P3.32; P3.34; C3.42.	E3.31; P3.33; P3.38.
4	Chapter 4: Product Costing Systems	Chapter 18.	E18.26; P18.31; P18.39; P18.41.	P18.33; P18.34; P18.36; C18.44.
5	Chapter 5: Process Costing & Operation Costing	Chapter 4.	E4.27; P4.39; P4.41; C4.43.	E4.30; P4.33; P4.40
6	Chapter 7: Overhead Costs	Chapter 5.	P5.36; P5.40; P5.41; C5.45.	E5.31; E5.32; C5.46.
Recess week				
7	Chapter 8: Activity Based Costing	Chapter 7.	P7.35; P7.36; P7.37; P7.40.	E7.28; P7.38.
8	Chapter 19 & 20: Relevant Costs & Benefits; Pricing & Product Mix Decisions	Chapter 8.	P8.35; P8.38; P8.42; C8.45.	E8.29; C8.46; C8.47; C8.48; C8.49.
9	Chapter 10: Standard Cost	Chapter 19 & 20.	P19.33; P19.34###; P19.37e; P20.37.	E19.27; P19.39; P19.38; C19.45; E20.26; P20.35.
10	Chapter 11: Standard Cost	Chapter 10.	P10.34; P10.40; P10.42; P10.43.	E10.24; P10.33; P10.37; C10.45.
11	Chapter 12: Managing Performance	Chapter 11.	P11.36; P11.37; C11.40.	E11.23; E11.24; P11.32, P11.38
12	Chapter 13 & 14: Finance & Strategic Performance	Chapter 12.	P12.31; P12.40; C12.45.	E12.25; E12.29; E12.30; P12.38; C12.42; C12.43e
13	Review.	Chapter 13 & 14.	P13.32; P13.34; P14.31.	P13.33; P14.33; C14.42.

Please note a typo error in the question. Total manufacturing overhead (0.5 machine hours @**20** per hour, rather than \$40 per hour as in the book).

** Optional tutorial questions refer to the questions that will not be discussed in the class but solutions will be provided and uploaded in LumiNUS. This is to give students more opportunities to practise problem solving for materials covered in the textbook. "e" denotes questions that deal with ethics.