

Managerial Accounting

Basic Information

Title: Managerial Accounting

Code: ACC404

Credit Hours: 3 C.H.

Prerequisite(s): ACC201

Classification: Faculty Core Compulsory

Course Description

Management accounting systems accumulate, classify, summarize and report information. Managers use this information to coordinate their activities about designing, producing and marketing a product or service. As such, this information assists managers in their decision making, planning and controlling business activities.

Learning Objectives

- Explain the features of uses of the cost-volume-profit analysis.
- Describe linear cost functions and three common ways for their behavior.
- Explain decision making steps and the relevant costs and revenues.
- Explain major influences on prices in short and long run decisions.
- Explain just in time systems for cost elements in manufacturing concerns.

Learning Outcomes

- Understand the role of cost-volume-profit analysis in decision making.
- Understand various approaches to cost behavior and estimation.
- Understand the process of decision making and constraints affecting it.
- Understand pricing decisions under different conditions and concepts.
- Understand how just in time systems and back-flush costing simplify traditional costing systems.

Course Outline

Module/Topic
<u>Module1: Managerial Accounting ; basics and concepts</u> Lesson 1: Managerial Accounting Basics Lesson 2: Managerial Cost Concepts Lesson 3: Manufacturing Costs in Financial Statements Lesson 4: Managerial Accounting Today
<u>Module 2: Cost-volume-profit analysis</u> Lesson 1: Cost Behavior Analysis Lesson 2: Cost-Volume-Profit
<u>Module 3: Cost-Volume-Profit Analysis: Advanced Issues</u> Lesson 1: Cost-Volume-Profit (CVP) Review Lesson 2: Sales Mix Lesson 3: Cost Structure and Operating Leverage
<u>Module 4: Decision Making and Relevant Information</u> Lesson 1: 5 Steps in the Decision Process Lesson 2: Life or Quantitative and Qualitative Information Lesson 3: opportunity-cost concept Lesson 4: Typical Relevant Costing Decisions Lesson 5: Potential problems in relevant-cost analysis Lesson 6: Outsourcing versus Insourcing
<u>Module 5: Pricing Decisions and Cost Management</u> Lesson 1: The major influences on pricing decisions Lesson 2: Short-run and long-run pricing decisions Lesson 3: The target-costing approach Lesson 4: The cost-plus approach Lesson 5: Life-cycle budgeting and costing Lesson 6: The effects of antitrust laws on pricing
<u>Module 6: Inventory Management, Just-in-Time, and Backflush Costing</u> Lesson 1: Categories of costs associated with goods for sale Lesson 2: The economic-order-quantity (EOQ) decision model Lesson 3: A supply-chain approach in inventory management Lesson 4: The features of a just-in-time production system Lesson 5: Backflush costing

*Delivery mode of each subject will be determined by instructor and could differ from one semester to the other.