

AC5521: COST AND MANAGEMENT ACCOUNTING

Effective Term

Semester B 2024/25

Part I Course Overview

Course Title

Cost and Management Accounting

Subject Code

AC - Accountancy

Course Number

5521

Academic Unit

Accountancy (AC)

College/School

College of Business (CB)

Course Duration

One Semester

Credit Units

3

Level

P5, P6 - Postgraduate Degree

Medium of Instruction

English

Medium of Assessment

English

Prerequisites

AC5511 Financial and Management Accounting or
AC5601 Corporate Accounting I

Precursors

Nil

Equivalent Courses

AC5522 Cost and Management Accounting

Exclusive Courses

Nil

Part II Course Details

Abstract

This course aims to provide students with:

- an introduction to management accounting for internal reporting and decision making purposes;
- familiarity with cost terminology, and management accounting reports;
- the ability to apply numerical techniques to solve short run decision making problems;
- the skill to interpret financial and non-financial performances measures in business.

Course Intended Learning Outcomes (CILOs)

CILOs	Weighting (if app.)	DEC-A1	DEC-A2	DEC-A3
1 Apply the principles of cost-volume-profit analysis and relevant costs in short run business decisions (Aims 1, 2 & 3)	20	x	x	
2 Construct operational budgets, the cash budget and the budgeted financial statements and discuss ethical/ behavioural issues in budgeting (Aims 2, 3 & 4)	20	x	x	
3 Compute and interpret standard costs and variances, and critically evaluate the advantages and disadvantage of standard costing (Aims 2, 3 & 4)	20	x	x	
4 Analyse the different responsibility centres, performance measures and goal congruence issues, including the balanced scorecard (Aim 4)	20	x	x	
5 Identify the issues of strategic planning and control and the methods of advanced costing methods to aid decision-making (Aim 4)	20	x	x	

A1: Attitude

Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.

A2: Ability

Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to real-life problems.

A3: Accomplishments

Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

Learning and Teaching Activities (LTAs)

LTAs	Brief Description	CILO No.	Hours/week (if applicable)
1 Interactive lectures/seminars	Students will engage in interactive lectures/seminars that explain and illustrate core concepts and clarify main points in assigned readings.	1, 2, 3, 4, 5	

2	Classroom activities	Students will participate in classroom activities that involves discussions to develop their skills in applying numerical techniques to solve management accounting problems.	1, 2, 3, 4, 5	
3	Case study/ project #	Students will engage in a case study/project that develops their skills in analysing and assessing management accounting issues in real life companies.	1, 2, 3, 4, 5	

Additional Information for LTAs

DEC LTA element

Assessment Tasks / Activities (ATs)

ATs	CILO No.	Weighting (%)	Remarks (e.g. Parameter for GenAI use)
1 Mid-term test: Students will be assessed of their understanding of core concepts in management accounting and demonstrate ability to solve management accounting problems.	1, 2, 3, 4, 5	30	
2 Case study/project #: Students will work in group to analyse a hypothetical case or prepare a project on different aspects of management accounting issues.	1, 2, 3, 4, 5	10	# DEC AT element
3 Participation: Students need to participate actively in in-class exercise and demonstrate understanding of the applications of management accounting techniques to solve management accounting problems.	1, 2, 3, 4, 5	10	

Continuous Assessment (%)

50

Examination (%)

50

Examination Duration (Hours)

3

Additional Information for ATs

Final examination:

Students will be assessed of their understanding of core concepts in management accounting and demonstrate ability to solve management accounting problems.

Students are required to pass both coursework and examination components to guarantee to pass the course. Failing either component may lead to failure in the course. The passing mark is generally 50.

Assessment Rubrics (AR)

Assessment Task

Mid-term test (for students admitted before Semester A 2022/23 and in Semester A 2024/25 & thereafter)

Criterion

Ability to solve decision making problems, knowledge and skills in critical analysis of performance measures and using of advanced accounting methods in management planning and control.

Excellent

(A+, A, A-) High

Good

(B+, B, B-) Significant

Fair

(C+, C, C-) Moderate

Marginal

(D) Basic

Failure

(F) Not even reaching marginal level

Assessment Task

Case study/project (for students admitted before Semester A 2022/23 and in Semester A 2024/25 & thereafter)

Criterion

Ability to solve decision making problems, knowledge and skills in critical analysis of performance measures and using of advanced accounting methods in management planning and control.

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Final examination (for students admitted before Semester A 2022/23 and in Semester A 2024/25 & thereafter)

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(A+, A, A-) High

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(B+, B, B-) Significant

Fair

(C+, C, C-) Moderate

Marginal

(D) Basic

Failure

(F) Not even reaching marginal level

Assessment Task

Mid-term test (for students admitted from Semester A 2022/23 to Summer Term 2024)

Criterion

Ability to solve decision making problems, knowledge and skills in critical analysis of performance measures and using of advanced accounting methods in management planning and control.

Excellent

(A+, A, A-) High

Good

(B+, B) Significant

Marginal

(B-, C+, C) Basic

Failure

(F) Not even reaching marginal level

Assessment Task

Case study/project (for students admitted from Semester A 2022/23 to Summer Term 2024)

Criterion

Ability to solve decision making problems, knowledge and skills in critical analysis of performance measures and using of advanced accounting methods in management planning and control.

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Marginal

(B-, C+, C) Basic

Failure

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Part III Other Information

Keyword Syllabus

Cost Management & Cost System, Activity Based Costing & Management, Cost-Volume-Profit Analysis, Budgeting, Cost Planning and Decision Making, Operational Performance Measurement, Analysis of Cost & Productivity, Strategic Performance Measurement, Balanced Scorecard, Sustainability Responsibility Centers Transfer Pricing Ethics.

Reading List

Compulsory Readings

Title	
1	Blocher, Stout, Juras & Smith, "Cost Management: A Strategic Emphasis", 9th Edition McGraw-Hill.
2	Canvas site for the course.

Additional Readings

Title	
1	Drury & Tayles "Management and Cost Accounting", 11th edition, Cengage Learning.
2	Datar & Rajan, "Horngren's Cost Accounting: A Managerial Emphasis", 17th edition, Pearson.
3	Garrison, Noreen & Brewer, "Managerial Accounting", 17th Edition, McGraw-Hill.
4	Hilton & Platt, "Managerial Accounting: Creating Value in a Dynamic Business Environment", 13th edition, McGraw-Hill.
5	Zimmerman "Accounting for Decision Making and Control", McGraw Hill; 10th Edition.
6	Institute of Management Accountants (IMA) – USA: www.imanet.org
7	The Chartered Institute of Management Accountants (CIMA) – UK: www.cimaglobal.com