

COURSE SYLLABUS

1. COURSE DESCRIPTION

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|-------------------------|---|
| Degree: | Administración y Dirección de Empresas (English teaching) |
| Double Degree: | Derecho y Administración y Dirección de Empresas (English teaching) |
| Course: | MANAGEMENT ACCOUNTING (Contabilidad de Gestión - English teaching) |
| Module: | V: Accounting and Finance |
| Department: | Financial Economics and Accounting |
| Term: | Second term |
| Total Credits: | 6 |
| Year: | 3rd ADE / 4th DER-ADE |
| Type of Course: | Obligatory |
| Course Language: | English |

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|---|-----------|------------|
| Teaching model: | C1 | |
| a. General/background: | | 50% |
| b. Theory-into-practice/developmental knowledge-building | | 50% |
| c. Guided Academic Activities: | | |



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2. COURSE COORDINATOR

Course coordinator: Juan Manuel Ramón Jerónimo

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3. ACADEMIC CONTEXT

3.1. Course Description and Objectives

Management Accounting course belongs to Module V: Accounting and Finance, and its main aim is to provide the basics concepts, the techniques needed for costing, and analysis and use of management accounting information in the process of planning and control. As an practical aim this course is to show which cost data is crucial to measure product, service and customers costs, enabling them to develop planning, control processes and decision making in different organizations.

This course has three main objectives of learning:

- To introduce students to Management Accounting as a part of Accounting that gathers the information needs of internal users.
- To deepen the study of internal economic flows of the company and analyze the internal value movements of products and services costing.
- Understand the role of management accounting in the process of planning and control.

3.2. Contribution to the Training Plan

Training students to the use of internal company information, and analyse of internal value movements to products and services costing. It also aims to provide a broad view of how the internal information may be used in the budgeting process and in business decision making. To familiarize students with business reality, emphasizing the importance of good accounting practices, ethics and social responsibility in the company.

Shown that, although it is not currently mandatory for companies to have a cost accounting system, the business characteristics and environment compose necessary for managers to obtain information on the cost of products or services offered and the activities that they develop. Therefore, the relevant of provide this knowledge to anyone who will play a managerial position in the future.

3.3. Recommendations or Prerequisites

It is recommended to have acquired the knowledge and skills in the previous course "Introduction to Financial Accounting" from the second term of the first year of this Degree. Where it explains the distinction between concepts such as asset / liability, expense / income and insights on accrual.

Since the initial information with which is considered in cost calculation come from the Financial Accounting, familiarity with the basic concepts of this field is essential to face the decisions that are derived from cost systems.

Finally, for the proper pursuit of the course, it is recommended continued access to the Virtual Classroom course (WebCT).

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4. SKILLS

4.1 Degree Skills Developed during this Course

Instrumental:

- Ability of analysis and synthesis
- Oral and written communication

Personal:

- Critical ability and autocritical

Systemic

- self-learning capability
- Concern for quality

Specific:

- Design a management accounting system, interpret, use and analyze information from the system implemented for its application to management organizations.

4.2. Module Skills Developed during this Course

Among the accounting field-specific competencies to be developed by the student along the course, include the following:

- Mastery of accounting and cost language and terminology .
- Knowledge of tools for analysis and interpretation of economic information and the management control techniques.

4.3. Course-specific Skills

Cognitive (Knowledge):

- Identify and interpret cost data in the internal movement of values
- Identify and interpret the information in the budget process
- Identify and interpret relevant information for decision making in the short to medium term

Procedural / Instrumental (Know how):

- Students must receive training that enables them to determine, use and analyze the control information the management to optimize decision-making within the organization.

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Attitudinal (self):

- Analytical rigorous.
- Methodical behavior.
- Ethical-accounting behavior

5. COURSE CONTENT (COURSE TOPICS)

UNIT 1: AN INTRODUCTION TO MANAGEMENT ACCOUNTING

- 1.1. Main purposes of accounting systems.
- 1.2. Differences between management and financial accounting.
- 1.3. Management accounting: Definition and objectives.
- 1.4. Organization structure and accounting information flows.
- 1.5. Costs and Costs Terminology
- 1.6. Cost classification.
- 1.7. Income, margin and profit concepts.
- 1.8. Costing systems
 - 1.8.1. Introduction
 - 1.8.2. Costing systems based on level of aggregation.
 - 1.8.3. Costing systems relative to timely.

UNIT 2. DIRECT COSTS AND INDIRECT COST ALLOCATION PROCESS.

- 2.1. Raw material costs
 - 2.1.1. Concept and classification
 - 2.1.2. Purchasing process
 - 2.1.3. Measuring Cost of purchasing.
- 2.2. Labour costs.
- 2.3. Indirect costs.
- 2.4. Adding value along production process.
- 2.5. Cost allocation in production process.
 - 2.5.1. Inorganic model of cost accumulation.
 - 2.5.2. Organic model and cost allocation in the centres.
- 2.6. Cost allocation bases.
- 2.7. Allocation of Support-Department costs.
 - 2.7.1. Direct Method.
 - 2.7.2. Step-down method.
 - 2.7.3. Reciprocal method.
 - 2.7.4. Choosing between methods.

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UNIT 3. COSTING PROCESS.

- 3.1. Introduction
- 3.2. Sources of information in costing process.
- 3.3. Costing stages
 - 3.3.1. Stage 1: Opening of T-accounts.
 - 3.3.2. Stage 2: Allocation of indirect costs to departments.
 - 3.3.3. Stage 3: Allocation of support-department costs to operating departments.
 - 3.3.4. Stage 4. Cost of purchasing.
 - 3.3.5. Stage 5: Given purchasing cost to T-accounts.
 - 3.3.6. Stage 6: Production costing.
 - 3.3.7. Stage 7: Given production cost to T-accounts.
 - 3.3.8. Stage 8: Cost of good solds.
 - 3.3.9. Stage 9: Calculating Incomes and results.
- 3.4. Cost accounting statements: Functional operating account and analytical statement.
- 3.5. Incorporation.
 - 3.5.1. Charges not incorporated.
 - 3.5.2. Relevant costs.
 - 3.5.3. Depreciation differences.
 - 3.5.4. Under- or overallocated manufacturing overhead costs.
 - 3.5.5. Differences between financial revenues and cost incomes.
 - 3.5.6. Incorporation differences statement.
 - 3.5.7. Overall view of incorporation differences process.
- 3.6. Joint Products and Byproducts.
 - 3.6.1. Joint-cost basis.
 - 3.6.2. Approaches to allocating joint cost.
- 3.7. Process costing.
- 3.8. Spoilage, rework, and scrap.
 - 3.8.1. Terminology.
 - 3.8.2. Different Types of Spoilage
 - 3.8.3. Process costing and spoilage, rework, and scrap

UNIT 4. ACTIVITY-BASED COSTING

- 4.1. Introduction.
- 4.2. Limitations of traditional costing systems: Improving costing.
- 4.3. Major concepts of activity based costing.
- 4.4. Cost Hierarchies: Classification of activities.
 - 4.4.1. Relate to products.
 - 4.4.2. Timely.
 - 4.4.3. Value-added.
- 4.5. Cost drivers.
 - 4.5.1. Causal analysis. Selection of Drivers.

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- 4.5.2. Determining of Drivers.
- 4.6. Activity based-costing process.
 - 4.6.1. Identify cost objects and direct costs.
 - 4.6.2. Allocate indirect costs to cost centres.
 - 4.6.3. Identify the activities in each centre.
 - 4.6.4. Determine cost drivers.
 - 4.6.5. Reclassify activities.
 - 4.6.6. Calculate the unit costs of the cost drivers.
 - 4.6.7. Define the cost drivers needed to make the product.
 - 4.6.8. Allocate cost to the products.
- 4.7. Compare costing methods.

UNIT 5: BUDGET AND RESPONSIBILITY ACCOUNTING

- 5.1. Introduction.
- 5.2. Budgets and the Budgeting Cycle.
 - 5.2.1. Strategic and tactics planning.
 - 5.2.2. Budgeting cycle.
- 5.3. Master Budget steps.
 - 5.3.1. Sales expectations and revenues budget.
 - 5.3.2. Production budget.
 - 5.3.3. Operation expenses cost (period costs) budget.
 - 5.3.4. Financial budget.
- 5.4. Advantages of the budget.
- 5.5. Budget and responsibility accounting.
- 5.6. Budget and the organization.
- 5.7. Static budgets and flexible budgets.

UNIT 6. BUDGET CONTROL. CALCULATE AND ANALYSE OF VARIANCES

- 6.1. Budget control: variances in static and flexible budgets.
 - 6.1.1. Variances in static budget.
 - 6.1.2. Develop and analysis of a flexible budget.
 - 6.1.3. Variances of flexible budget and variances of sales volume.
- 6.2. Standard costing.
- 6.3. Establishing standards.
- 6.4. Typology of standards.
 - 6.4.1. Raw materials and labour standards.
 - 6.4.2. Overhead standards.
- 6.5. The standards as motivational instrument.
- 6.6. Calculate direct cost variances.
 - 6.6.1. Calculate raw materials variances.
 - 6.6.2. Calculate labour variances.
- 6.7. Analysis of direct cost variances.

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- 6.8. Calculate and analyse of overhead cost variances.
 - 6.8.1. Planning overhead costs.
 - 6.8.2. Overhead cost variances.
 - 6.8.3. Calculate overhead cost variances.
 - 6.8.4. Analyse overhead cost variances.
- 6.9. Variances and planning.

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6. METHODOLOGY AND RESOURCES

METHODOLOGY:

The working method used by the faculty of this course is based mainly on lectures and make different practical activities during the various sessions.

The course is taught in 2 weekly sessions of 90 minutes each week of the semester. Each week will have a meeting of basic education (EB) to be taught the whole group (60 students) and a practical teaching session and Development (EPD) in which the group is divided into three subgroups (20 students). According to this division, EB sessions will be used both in lectures that introduce the basic knowledge of each subject, at all times to promote dialogue and discussion with students, as well as solving practical exercises on concepts. In contrast, EPD sessions normally are devoted to practical activities and cases provided for each topic, which should have been prepared in advance by students for later resolution in class, either by the teacher or by students.

RESOURCES:

Students should prepare the subject using the library resources available in the University Library and computing resources are there in the University Pablo de Olavide.

Furthermore, it is essential to use the WebCT platform. The presentation of the subject, the teacher shows the student the space to the subject and all the resources and materials they can access and use. Students will have at all times the equipment needed to monitor the subject (EB and EPD), which will be available through WebCT.

With respect to the subject materials are three types:

- Writer of the topic, which will be available to students before the start of each topic. It's a script to monitor classes in which list the minimum content of each topic, but in no case be considered as the notes for each topic. The student must worry about going to the library and expand the contents of the script with the books mentioned in the bibliography, plus teacher's explanations.
- Dossier of exercise, which includes the set of all exercises or activities for each topic, some of which must be performed by the student prior to their subsequent correction for the meetings of EPD.
- Questions of self-evaluation, with a corresponding self-correction so that students can check their level of assimilation of concepts and facilitate independent learning

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7. ASSESSMENT

To pass the course the student is entitled to two official calls presented per course, which is governed by the following evaluation criteria:

1 CALL FOR COURSE (May / June):

The evaluation of different teaching activities will be performed according to the following criteria:

The content and skills acquired in the sessions of Basic Learning (EB) represent 50% of the overall grade and will be evaluated through a theoretical and practical final exam. This will have a final exam score of 5 points. However, require a minimum of 2 points in order to pass the course.

The content and skills acquired in sessions Practices Development Learning (EPD) represent 50% of the overall grade and will be subject to continuous assessment through the various activities during the course without possibility of recovering this note in reviewing the notice of course, except in cases covered by the rules of student evaluation of Grade UPO.

2. RECOVERY COURSE CALL(June / July).

The evaluation of different teaching activities will be performed according to the following criteria:

The content and skills acquired in the sessions of Basic Learning (EB) represent 50% of the overall grade and will be evaluated through a theoretical and practical final exam. This will have a final exam score of 5 points. However, require a minimum of 2 points in order to pass the course.

The content and skills acquired in sessions Practices Development Learning (EPD) represent 50% of the overall grade and will be evaluated using two alternative models:
(a) Continuous Assessment Model, through various activities during the course
(b) Model for Summative Evaluation: The student may decide to perform a single practical examination on the same date that the examination of EB, similar to the activities in class content.

3. SPECIAL CALL

The subject is overcome with a mean equal to or greater than 5 points.

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SPECIFICALLY CONCERNING TO STUDENT EXCHANGES:

Students of any UPO beneficiaries of various government programs mobility (Socrates-Erasmus, Seneca, Atlanticus, Mexicalia ...) who study the subject outside their study contracts may recover for final qualifying block continuous assessment by conducting additional tests to the written test. This situation should contact the teacher of the course before the end of the presence teaching period.

Article 18. Incidents in the celebration of the assessment tests

1. During the course of an examination, the use by a student material not expressly authorized by the faculty, as well as any action authorized not aimed at obtaining or sharing information with others, will be considered cause Hold rating of the subject, notwithstanding that it may result in academic penalty.
2. In writing papers, plagiarism and the use of non-original material, including that obtained through internet, without clearly indicating their origin will be considered cause for student to fail the course, and if applicable, academic sanction .
3. The Director of the Department responsible of that module, once informed by the staff involved, the students affected and any other academic part required by the Direction of the Department, decide over the possibility of opening up a formal expedient of penalization.

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8. BIBLIOGRAPHY

- Álvarez-Dardet et al. (2014): Contabilidad de Gestión: Análisis del Coste. Mamut Digital.
- Álvarez-Dardet et al. (2009): Contabilidad de Gestión: Cálculo de Costes. Editorial Pirámide.
- Álvarez-Dardet et al. (2010): Contabilidad de Gestión: Profundización en el cálculo del coste y proceso de planificación y control. Editorial Pirámide.
- Horngren, C.T., y Foster, G. (2009): Cost Accounting: A Managerial Emphasis, Prentice Hall, Inc., Londres, 13th edition.
- Horngren C.T. y Foster, G (2007): Contabilidad de costos: un enfoque gerencial, Prentice-Hall Hispanoamericana, 12ª edición.