

Managerial Accounting

MEM

Semester:

Credit Hr: 3

General objectives:

- To assist students to get in depth knowledge of managerial accounting and encourage them to apply these managerial tools and techniques in planning, controlling and decision making functions in competitive business environment.
- To develop economic rationality for the optimal allocation of scarce resources among the competing alternatives.

Specific objectives:

The specific objectives of this units are;

- to maintain an appropriate level of professional competence by ongoing development of their skills and knowledge,
- to perform their professional duties of profit planning, cost control and decision making in accordance with relevant laws, regulation and technical standards,
- to Understand existing techniques of analysis and develop new, improved methods to manage risk and uncertainty in management decision making
- to Prepare complete and clear reports and recommendation after appropriate analysis of relevant and reliable information.
- To Prepare a complete business plan

Course contents

Unit 1: Overview of Management Accounting 2 hrs

Management Process, Management Accounting Position in the Organization, Management Accounting Vs Financial Accounting, Scope of Management Accounting.

Unit 2: The Controllership functions 2 hrs

Role of Management Accountant, Career Opportunity in Management Accounting, Ethics in Management Accounting Profession, Limitations of Management Accounting

Unit 3: Cost Classification, Cost Estimation and Cost Allocation 3 hrs-

Cost Classification for Different Purpose, - Use of Different Costs for Planning, Decision Making and Control.

Unit 4: Cost Estimation Methods 2 hrs

Unit 5: Product and Service Costing	1 hrs
Type of Product Costing Systems, - Job Order	
Unit 6: Process Costing	1 hrs
Unit 7: Cost-Volume-Profit Analysis	3 hrs
Concept of Contribution Margin, - Break-Even Analysis, Margin of Safety, - Sensitivity Analysis	
Unit 8: Multi Product Cases	2 hrs
Cost-volume-profit Analysis for Decision Making	
Unit 9: Segment Reporting	2 hrs
ABC Costing and Analysis	
Unit 10: Cost Control	2 hrs
Effect of Different Product Costing Methods	
Unit 11: Income Measurement and Reporting	1 hrs
Reconciliation of Differences	
Unit 12: Cost Control	1 hrs
Standard Costing, Setting Standards, Difference between Standard Costing and Budgetary Control	
Unit 13: Direct Material Variances and Direct Labor Variances	1 hrs
Unit 14: Flexible Budgeting and Overhead Cost Control	1 hrs
Unit 15: Accounting Treatment of Variance	1 hrs
Application of Standard Costing	
Unit 16: Long Term Investment Decisions	2 hrs
Concept of Capital Budget, Time Value of Money and Cost of Capital	
Unit 17: Cash Flow Projection of a Project	2 hrs
Depreciation and Tax Shield	
Unit 18: Evaluation Techniques.	6 hrs
NPV, IRR, PBP and ARR	

Unit 19: Capital Budgeting Under the Condition of Risk and Uncertainty	1 hrs
Sensitivity Analysis of a Project	
Unit 20: Decision Regarding Alternative Choices	2 hrs
Concept of Relevant Cost and its Application in Decision Making , Concept of Different Cost and Opportunity Cost	
Unit 21: Make or Buy decision	1 hrs
Accept or Continue Product Lines	
Unit 22: Drop or Continue Product Lines	1 hrs
Further Processing of Joint Product	
Unit 23: Replacement of Assets	1 hrs
Lease or buy properties	
Unit 24: Pricing Decisions	2 hrs
Setting Price Policies, - Management Analysis for Pricing Decisions	
Unit 25: Pricing for Market Sale	1 hrs
Unit 26: Transfer Pricing in Decentralized Organization	1 hrs

References:

1. Managerial Accounting – By Ronald W. Hilton, Irwin McGraw-Hill
2. Accpimtong. A Business Perspective (Part I and II) By Roger H. Herman son, James Don Edwards, Michael W. Maher.
3. Financial Accounting- By Meigs and Meigs, McGraw Hill International Edition
4. Accounting Theory- By L.S Porwal, Tata, McGraw Hill
5. Techniques of Management Accounting: Young, DAVID W. Tata McGraw Hill.