

Course Title	Advanced Cost and Managerial Accounting				
Course Code	AEF210				
Course Type	Compulsory				
Level	Bachelor (1 st Cycle)				
Year / Semester	2 nd Year / 3 rd Semester				
Teacher's Name	TBA				
ECTS	6	Lectures / week	3 Hours / 14 weeks	Laboratories / week	None
Course Purpose and Objectives	The purpose of this course is to cover in depth cost management topics to ensure full comprehension of basic concepts such as cost accounting systems, cost management systems, profit management systems, and investment management systems. These concepts will provide an in-depth understanding of the array of timely and relevant information provided by management accounting necessary for the survival and success of organizations in today's dynamic environment.				
Learning Outcomes	<p>Upon successful completion of this course students should be able to:</p> <ul style="list-style-type: none"> • Explain why organizations need to know how much products, processes and services cost and why they need costing systems • Calculate cost for joint and by-product, process costs and service cost • Calculate and evaluate project based on different appraisal techniques • Estimate cost and revenue with different forecasting methods. • Describe the principles of standard costing. • Identify and calculate variances for sales, materials, labor, variable overheads and fixed overheads; absorption and marginal approaches. • Discuss the causes of variances. • Explain, discuss and calculate performance measurement 				
Prerequisites	AEF125	Co-requisites	None		
Course Content	<p>1. Job batch and Service Costing</p> <p>Describe the characteristics of job and batch costing. Describe the situations where the use job or batch costing would be appropriate. Prepare cost records and accounts in job and batch costing</p>				

situations. Establish job and batch and cost from given information. Identify situations where the use of service and operation costing is appropriate. Illustrate suitable cost measures that may be used in different service situations.

2. Process costing, Joint Products and by-products

Describe the characteristics of process costing. Describe the situation where the use of process costing would be appropriate. Explain the concept of normal and abnormal losses and gains. Calculate the cost per unit of process output. Prepare process accounts. Calculate and explain the concepts of equivalent units. Prepare process accounts in situations where work remains incomplete. Prepare process accounts where losses and gains are identified at different stage of the process. Distinguish between by-product and joint product. Value by-product and joint products at the point of separation

3. Service/ operation costing

Identify situation where the use of service/ operation costing is appropriate. Illustrate suitable unit cost measures that may be used in different service/ operation situations. Carry out service cost analysis in simple service industry situations

4. Forecast

Describe and use the two principle forecasting technique namely regression and time series analysis. Regression analysis can be applied to costs and revenues while time series analysis is generally applied to revenue

5. Methods of project appraisal

Explain and illustrate the difference between simple and compound interest, between nominal and effective interest rate and compounding and discounting. Explain the distinction between cash flow and profit and the relevance of cash flow to capital investment. Explain and illustrate the Net Present Value and Internal Rate of Return. Calculate and interpret NPV, IRR and payback in investment decisions.

6. Standard Cost

Establish the standard cost per unit under absorption and marginal costing

7. Basic Variance analysis under absorption and marginal costing

Calculate the following variances:

a. Sales price and volume total,

	<p>b. Material price and usage</p> <p>c. Labour total, rate and efficiency</p> <p>d. Variable overhead total expenditure and efficiency</p> <p>e. Fixed overhead total, expenditure and where appropriate, volume capacity and efficiency</p> <p>Interpret and explain possible cause of all the above variances. Describe the interrelationships between the variances mentioned above. Calculate actual or standard figures where the variance given above</p> <p>8. Performance Measurement</p> <p>Discuss the purpose of mission statement, strategic, operational, and tactical decisions and their role in performance measurement. Discuss the impact of economic and market conditions on performance measure. Discuss and calculate measures of financial performance and non-financial measures. Establish and discuss critical success factors and key performance indicators. Establish and describe the concepts of economy, efficiency and effectiveness and establish performance indicators for the above concepts. Perspectives of the balance scorecard. Application of performance measure in manufacturing business and environment, for service industries, for non-profit organizations</p> <p>Recent developments and contemporary issues pertaining to the subject matter of the course.</p>
Teaching Methodology	Face To Face
Bibliography	<p>Meigts, Williams, Haka And Bettner, Financial and Managerial Accounting The Basis for Business Decisions, Latest Edition, McGraw Hill.</p> <p>BPP Notes for F2 –ACCA, Latest Edition.</p> <p>BPP Notes for F5-ACCA</p> <p>Atrill, P & McLaney, E, <i>Management Accounting for Decision Makers</i> Financial Times, Prentice Hall, Latest Edition</p> <p>Drury, C., Cost and Management Accounting, Thomson. Latest Edition</p> <p>Lucey, T., Costing, Thomson, Latest Edition</p> <p>Garrison, R., Noreen, E. and Brewer, P. <i>Managerial Accounting</i>. McGraw-Hill. Latest Edition.</p>

	Relevant teaching material from the following organizations: ACCA - http://www.accaglobal.com/students BPP - http://www.bpp.com/acca/papers/f2/ Kaplan - http://financial.kaplan.co.uk/TrainingandQuals/Accountancy/ACCA/Pages/default.aspx		
Assessment	Examinations	80%	
	Class Participation and Attendance	10%	
	Assignments	10%	
		100%	
Language	English		