

Course Details:

Course Title: Fundamentals of Management Accounting

Credit Hours: 3

Course Code: THM – 221

Pre-requisite:

Program: BST&HM/2022

Sections: A & B

Course Description:

The syllabus for HMA, Management Accounting, introduces candidates to elements of management accounting which are used to make and support decisions in stock management of hotels and restaurants. The syllabus starts by introducing the nature, the source and purpose of cost accounting and the costing techniques used in business which are essential for any hotel management accounting. The syllabus then looks at the preparation and use of budgeting and standard costing and variance analysis as essential tools for planning and controlling business costs. The syllabus concludes with an introduction to measuring and monitoring the performance of an organization.

Course Learning Outcomes:

The course is quantitative in nature and students are expected to have some background in financial accounting and be comfortable with basic mathematics.

Having taken this course, students should:

1. **Identify** the purpose of management information and cost classification for managers.
2. **Discuss** cost accounting techniques for cost management purposes.
3. **Prepare** budgets for planning and control.
4. **Calculate** variance analysis for performance measurement purposes.

Program Goals & Learning Objectives:

Goals & learning objectives of the BSTH Program are:

Goal 1: Students will acquire knowledge to analyze business problems

LO 1.1: Students will be able to understand problems in a business setting

LO 1.2: Students will be able to analyze problems using business knowledge

Goal 2: Students will work in team settings

LO 2.1: Students will be able to work towards achieving team goals

LO 2.2: Students will be able to demonstrate effective team behavior

Goal 3: Students will learn to communicate effectively

LO 3.1: Students will be able to communicate effectively in oral presentations

LO 3.2: Student will be able to create professional reports

Goal 4: Students will deal with the ethical dilemmas that arise in a business environment

LO 4.1: Students will be able to identify ethical concerns emanating from a business situation

LO 4.2.: Students will be able to apply ethical guidelines to address business problems by examining set of alternatives

Mapping - CLOs with Los

Learning Objective	LO 1.1	LO 1.2	LO 2.1	LO 2.2	LO 3.1	LO 3.2	LO 4.1	LO 4.2	Not mapped	Evaluation Item
CLO 1	✓									Quiz
CLO 2	✓									Assignment
CLO 3	✓									Final Exam
CLO 4		●								Final Exam

Note: ✓ indicates mapped and assessed CLO, ● indicates mapped but not assessed CLO and X indicates unmapped.

Required Course Material:

Textbook (s): CAF 3 ICAP Study Text

Reference Book (s): ACCA F2 Kaplan Book

Accounting for hospitality managers (AHM) by Raymond Cote

Other Material: ACCA KAPLAN & BPP KIT

Course Evaluation:

Grading will be done as per NBS criteria. The breakup is as follows:

Final Exam	40%
Midterm	25%
Quizzes	15%
Assignments	15%
Class Participation	5%

Weekly Schedule:

Week	Lecture No. and Topic	Preparation Material	Session Outcomes (Students should be able to...)
1	Orientation		Discussion of course outline, learning outcomes, career relevance and assessments etc.
<u>Module 1: Overview of financial analysis and financial forecasting</u>			
1	LECTURE 1: The nature and purpose of cost and management accounting	BPP Ch 1: Information for Management	This chapter introduces management and cost accounting (CLO #1)
2	LECTURE 2: Cost classification, behaviour, and purpose	BPP Ch 2: Cost classification	Identify various classifications of costs that are essential in the costing methods used by organizations to determine unit costs of product/service (CLO#1)

3	LECTURE 3: Cost classification, behaviour, and purpose	BPP Ch 3: Cost behaviour	Identify two-way split of cost behaviour and explain high-low method for splitting semi-variable costs (CLO#1)
4	LECTURE 4: Cost accounting techniques	AHM Ch 19; Inventory accounting	Explain difference between periodic and perpetual inventory system. Discuss various inventory valuation methods such as, LIFO, FIFO and AVCO
5	LECTURE 5: Cost accounting techniques	CAF-2 ICAP Study Text Ch 6: Inventory Management (EOQ Model)	Explain the use of effective inventory control system by focusing on materials, order side, re-order quantity (CLO# 2)
6	LECTURE 6: Cost accounting techniques	AHM Ch 5: Hospitality Payroll Accounting	Explain and Calculate wages & salaries, payroll deductions and accounting for tipped employes. (CLO# 2)
7	LECTURE 7: Cost accounting techniques	AHM Ch 5 : Hospitality Payroll Accounting	Explain and Calculate wages & salaries, payroll deductions and accounting for tipped employes. (CLO# 2)
8	<u>MID-TERM EXAM WEEK</u>		
9	LECTURE 9: Cost accounting methods	CAF-3 ICAP Study Text: Marginal and absorption costing	Discuss marginal costing and compares it with absorption costing (CLO# 2)
10	LECTURE 10: Cost accounting techniques	CAF-3 ICAP Study Text: Marginal and absorption costing	Explain arguments both in favour of and against each method and investigate the production of different profit figures under both system (CLO# 2)
11	LECTURE 11: Cost accounting techniques	CAF-3 ICAP Study Text: Cost Volume Profit Analysis	Calculate break-even point and prepare profit analysis using CVP technique for decision making (CLO#2)
12	LECTURE 12: Cost Accounting Techniques	AHM Ch 1:Hotel Revenue Accounting	Explain the categories of revenue centers including minor revenue centers, revenue centers in financial reports (CLO# 2)
13	LECTURE 13: Cost Accounting Techniques	AHM Ch 2: Hotel Expense Accounting	Explain the business segmentation, financial reporting centers and examples of hotel expense account (CLO# 2)
14	LECTURE 14: Budgeting and standard costing	AHM Ch 13: Budgeting	Explain the nature and purpose of budgeting and identify various concepts of budgeting (CLO# 2)
15	LECTURE 15: Budgeting and standard costing	AHM Ch 14: Forecasting sales	Prepare Cash Budget, Sales budes, master budget (CLO# 2)
16	LECTURE 16: Budgeting and standard costing	AHM Ch 15: Budgetary analysis	Explain different types of budgets and variance analysis (CLO# 3)
17	<u>BUFFER WEEK</u>		
18	<u>FINAL EXAM WEEK</u>		

Details of Assessments:

Assignments are based on solving managerial problems related to costs, revenues, opportunities, available options and choosing the best course of action.

You will have to form a group of 4 or less members and coordinate with each other to find a suitable answer for the required task. This is your responsibility to form a group.

You will have one week to complete the task. You can find some time in the first couple of days to coordinate with each other and finalize your group members. You can then find some time on the third day to discuss the required task with your group members. The answer for the task can be finalized, sorted, and submitted on the 4th day. However, you will still have three more days left on the timetable that you can utilize to either change/improve something in your answer or if you have anything else planned in the first half of the week, you can utilize the later part of the week to do the task.

Assignment Component	Details	Marks
Assignment Report		
Evaluation of alternatives	Discussion on the available options in a coherent manner	40
Decision making	Selecting the appropriate alternative from available options	40
Presentation		
Reporting style	The document should be presented in a proper report format	20
Total		100