

**Management Accounting**

Code: 101201  
ECTS Credits: 6

Degree	Type	Year	Semester
2500894 Tourism	OB	3	1

**Contact**

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**Use of Languages**

Principal working language: catalan (cat)  
Some groups entirely in English: Yes  
Some groups entirely in Catalan: Yes  
Some groups entirely in Spanish: Yes

**Teachers**

Vera Butkouskaya

**External teachers**

Vera.Butkouskaya@uab.cat

**Prerequisites**

*There are no prerequisites*

**Objectives and Contextualisation**

1. Provide basic understanding of the economic and financial context of cost accounting and management accounting, and to introduce students to its basic terminology and purposes.
2. Help students discover and learn to use the relationship between costs, activity level and profit of a business.
3. Describe the logic of cost accumulation for inventory valuation and profit measurement.
4. Introduce students to the absorption and contribution approaches to income statement preparation.
5. Make students aware of the conceptual intricacy of indirect costs and familiarize them with the main methods used in practice to allocate these costs to cost objects.
6. Show how to elaborate standard costs
7. Describe the difference between a static budget and a flexible budget
8. Introduce students to variance analysis
9. Introduce students to the concept of a master budget and help them understand its major benefits to an organization
10. Describe major components of a master budget
11. Show how to determine flexible-budget and sales-volume variances
12. Show how to decompose flexible-budget variances into price and efficiency components
13. Show how to decompose volume variances into market-size, market-share and sales-mix components
14. Clarify how to differentiate relevant costs and revenues from irrelevant costs and revenues for decision making purposes

## Competences

- Apply the concepts related to tourism products and businesses (economy and finance, human resources, commercial policy, markets, operations and strategy) in the different parts of the sector.
- Develop a capacity for independent learning.
- Have a business vision, pinpoint the customer's needs and pre-empt possible changes in the environment.
- Plan and manage activities on the basis of quality and sustainability.
- Plan, organise and coordinate a work team, creating synergies and showing empathy.
- Propose creative alternative solutions to problems arising in the field of tourism management, planning, businesses and products.
- Take decisions in situations of uncertainty, taking into account potential consequences of these decisions in the short, medium and long term.
- Use communication techniques at all levels.
- Work in a team.

## Learning Outcomes

1. Apply budget control techniques for costs management, variance analysis and efficiency management.
2. Apply the concepts of financial, accounting and resources management with regard to the tourism product and business, in the different parts of the sector.
3. Develop a capacity for independent learning.
4. Have a business vision, pinpoint the customer's needs and pre-empt possible changes in the environment.
5. Identify a business's financial options in the short and long term.
6. Identify the information provided by the financial statements and determine the economic and financial situation of a business.
7. Issue technical accounting reports on a company's financial situation, suggesting solutions to problems and ways to improve.
8. Plan and manage activities on the basis of quality and sustainability.
9. Plan, organise and coordinate a work team, creating synergies and showing empathy.
10. Take decisions in situations of uncertainty, taking into account potential consequences of these decisions in the short, medium and long term.
11. Use communication techniques at all levels.
12. Work in a team.

## Content

### TOPIC 1. *Organizations, management and accounting*

1. Organizations, managers and accounting
2. The role of accounting in organizations
3. Differences between financial accounting and management accounting

### TOPIC 2. Costs: Concept, Terminology and classification

1. The concept of cost in accounting and economics
2. Difference between costs and expenses
3. Types of cost classification
4. Cost of the main factors in service industries
5. Average costs vs individualized costs
6. Break-even point and safety margin

### TOPIC 3. Costing of Products and Services

1. Cost accumulation; actual costs

2. Indirect cost pools and cost allocation
3. Common cost allocation
4. Job costing systems
5. Process costing systems
6. Others costing systems (Activity based costing, hybrid costing systems, ...)

#### TOPIC 4. Income effects of alternative costing methods

1. Variable Costing (DC)
2. Absorption Costing (FCI, FCT)
3. Alternative denominator concepts. The costs of unused capacity (IR)
4. Reconciliation of results obtained with variable and absorption costing
5. Implications for the accounting information systems.

#### TOPIC 5. Standard Cost: Concept, components and calculation

1. Concept and usefulness of cost standards
2. Setting cost standards
3. Standards for total costs and unit costs

#### TOPIC 6: Planning, Budgets and budgetary control

1. Definition and role of budgets
2. Flexible budget
3. Steps in preparing an operating budget (sales budget, purchases budget, budgeting operating costs, cash budget...)

#### TOPIC 7. Budgetary Control and Variance Analysis

1. Budgetary control as a management tool
2. Variance analysis of sales budgets
3. Decomposition of the flexible budget variance
4. Cost-Volume-Profit analysis

#### TOPIC 8. Cost behavior and cost-volume-profit analysis

1. Case study

## Methodology

1. Methodology of the **theoretical part** of the course: Lecture-type classroom-based classes with explanation regarding the different agenda items. Theoretical classes will be audio-visual (power point presentations, video viewing to support the theory, etc.)

2. Methodology of the **practical part** of the course: Preparation and class-based presentation of case studies related to theoretical explanations. These exercises and cases are based on analysis of activities of the companies

3. Methodology of the **out class learning part** of the course (Campus Virtual): The Campus Virtual platform will be used to share information and alternative media in the classroom between students and teacher. Campus Virtual will contain the profile of the course, additional theoretical material in digital form, cases and exercises, links to websites, etc.

## Activities

Title	Hours	ECTS	Learning Outcomes
Type: Directed			
Practical exercises and case solutions	30	1.2	1, 3, 7, 5, 11, 4, 12
Theoretical and practical classes	35	1.4	2, 6, 11, 10, 4
Type: Supervised			
Tutorials	25	1	2, 6, 11
Type: Autonomous			
Practical exercises and case solutions	20	0.8	2, 1, 3, 7, 6, 5, 8, 9, 10, 12
Preparation of exercises	10	0.4	2, 1, 3, 7, 6, 5, 8, 9, 10, 12
Study (test ans exam preparation)	15	0.6	2, 1, 3, 7, 6, 5, 8, 4

## Assessment

This subject will be evaluated as follows:

Continuous evaluation:

1. Practical activities (30% of the final grade): Completion and presentation of class discussed exercises and cases, handed-in within the established deadline.
2. Periodical controls: 2 (two) exams based on the theoretical materials. This will represent 70% of the final grade (35% each one of them)

The exercises and cases will be collected by the instructors during the course, typically during the practical class sessions.

The partial exams can be theoretically oriented (conceptual questions) or have a more practical nature (calculation problems). Some of the exam questions will provide multi-choice answers and others will be open ended.

To approve the subject it is necessary to obtain a score above 5 (five) in average (practical activities and periodical control).

If students do not obtain a minimum grade of 5 through the continuous evaluations shown above, they can take a final exam. The final exam takes place according to the calendar of the academic activities, which is reported in students' guide or in the web of the school. The grade of the final exam will be the 100% of the final grade.

Instead of continuous evaluations shown above, students have the option to directly take the final exam. The grade of the final exam will be the 100% of the final grade.

Students with a grade between 3.5 and 4.9 in the final exam will have the chance to retake the exam, according to the calendar of the academic activities, which is reported in students' guide or in the web of the school. If these students pass the retake exam, their final grade will be 5.

## Assessment Activities

Title	Weighting	Hours	ECTS	Learning Outcomes
Periodical Control 1	35%	2.5	0.1	2, 1, 7, 6, 5

Periodical Control 2	35%	2.5	0.1	2, 1, 7, 6, 5
Practical activities	30%	10	0.4	2, 1, 3, 7, 6, 5, 11, 8, 9, 10, 4, 12

## Bibliography

### Required textbook

Bhimani A, Horngren CT, Datar SM and Rajan M. Management and Cost Accounting, 5/E. Financial Times Press 2012. ISBN-13: 978-0-273-75745-0

Horngren CT, Foster G, Datar S. Contabilidad de Costes: un enfoque de gerencia. Prentice Hall internacional. (Edició original en anglés: Horngren CT, Foster G, Datar S. Cost Accounting; a Managerial Emphasis. Pearson Education 2010)

### Additional readings

Amat, O. i Soldevila, P (2010).: Contabilidad y gestión de Costes. Profit Editorial. ACCID Barcelona.

Asociación española de contabilidad y administración de empresas. La contabilidad de gestión. Serie de principios de contabilidad de gestión. AECA.

Atkinson AA, Banker RD, Kaplan RS and Young, SM. Management Accounting. Prentice-Hall.

Anthony RN, Hawkins DF and Merchant KA. Accounting: Text and cases. McGraw-Hill.

Drury, C. Management and Cost Accounting. Thomson Learning.

Drury, C. Management Accounting for Business Decisions. Thomson Learning.

Hilton, RW. Managerial Accounting. McGraw Hill.

Mallo Rodríguez, C., Rocafort Nicolau, A (2014): Contabilidad de Dirección para la toma de decisiones. Ed. Pirámide.