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**East China Normal University**  
**ACCO 21 Management Accounting**

**Instructor:** BeiBei Yan

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**Home University:** SILC Business School, Shanghai University

**Semester:** June 27 to July 15, 2022

**Course Hour:** Monday through Friday, 160 mins per teaching day;

**Total Contact Hours:** 64 contact hours

**Credits:** 4

**Designated Textbook with ISBN:**

Brewer/Garrison/Noreen, Managerial Accounting. 16th edition, McGRAW-HILL EDUCATION INTERNATIONAL EDITION. ISBN 978-1-259-30741-6

**Course Prerequisite:** Financial Accounting (Recommended)

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## Course Overview

An introductory course providing an overview of the managerial use of financial and nonfinancial information for a variety of purposes including managerial decision analysis, external financial reporting, strategic product costing, organizational planning, and performance evaluation. The emphasis is on developing and using information to support value creation by management. The course is divided into three parts:

### Part A. Cost Analysis for Decision-Making

This part involves an introduction to basic cost concepts and explores the analysis of financial and nonfinancial information to evaluate the economic impact of decisions to acquire and deploy resources. It involves a framework for analyzing both short-term and long-term decisions that include incremental, sunk and opportunity costs.

### Part B. Cost Measurement Systems

The primary focus of this part is to delineate the cost flow architecture used in cost measurement comprised of cost accumulation, cost allocation, and cost application systems. A distinction is made between the measurement principles used in cost accounting for external financial reporting purposes and those used in activity-based systems required for product costing and to support strategic initiatives.

### Part C. Master Budget & Control Systems

This part describes how organizations develop and use budgets for planning and expenditure control. A comparison is made between top-down long-term financial planning and bottom-up short-term budgeting. Various approaches to budgeting are introduced including static, flexible, functional, and activity-based budgeting. Students are also exposed to the design and use of managerial performance evaluation systems.

## Learning Outcomes

On successful completion of this subject, students should be able to (SLO):

1. Differentiate between the internal and external decision-making processes of an economic entity. (SLO1 ~ PLO1.1)
2. Apply accounting information in external and internal decision contexts of a business. (SLO2 ~ PLO1.1)
3. Demonstrate analytical skills needed to process accounting information; prepare internal and external financial statements and be able to interpret accounting reports. (SLO3 ~ PLO1.1)
4. Recognize ethical issues facing the accounting profession and the ethical framework in which accounting operates. Assess risk and identify internal control procedures necessary to achieve business objectives. (SLO4 ~ PLO4.1)
5. Effectively understand and communicate accounting information in a business context. (SLO5 ~ PLO1.1)

This subject covers the following Program Learning Objectives (PLOs) :

- 1.1 Show an understanding of essential concepts of business and related professions. (PLO 1.1)
- 4.1 Cultivate integrity and ethical understanding within business and related professional environments. (PLO 4.1)

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### **Class Structure and Learning Tips**

Mastering managerial accounting in only THREE WEEKS is not an easy task and requires hard work and discipline. Think about this course as a swimming summer camp. Can you learn how to swim by observing your coach swim every day? Absolutely not! You need to spend time in the pool. That means reading books and doing homework on a daily basis.

To help you optimize your time, I advise the following strategy when preparing for class. You are encouraged to read related chapter before coming to class. Reading and thinking about the material on your own or in group ahead of class is where you master the material and figure out what parts of the topic you do not understand. The textbook provides conceptual foundations for the managerial accounting topics that we will study along with detailed coverage on the managerial accounting for those issues. In class we will go over the slides and clarify your questions. We will discuss how these topics relate to real world setting. After class, be sure you can read through the lecture slides and understand what we've done in class. Then do the homework exercises to evaluate what you have learned.

### **Homework**

Assignments are indicated in the Topical Outline and are due at the end of this course (July 15). Students may work in groups but must submit their own individual write-ups. Grading of homework will be on an 'efforts only' basis. Late homework submissions and electronic copies will not be accepted.

### **Exams**

All exams will be held in class (or at a location to be announced) and are 'closed book'. Calculators may be used but accessing the Internet, using e-mail or any other text messaging devices, such as cell phones or PDAs, will not be allowed. Exams must also be taken at the scheduled time. There will be no make-up exams.

### **Plagiarism & Fraud**

Cheating on exams and homework will not be tolerated. Evidence of cheating or submission of homework that is not the product of your own work will result in a score of zero. Repeated occurrences may result in disqualification.

### **Class Conduct**

I expect you to be punctual arriving for class. All cell phones must be turned off or put on silent mode, and put them away before the start of class. I will sometimes cold call on you to answer review questions or solve practice examples. Therefore, be prepared in advance for the material.

## Grading Scale and Notes

The following definitions will be used as a guide for the assignment of grades:

Number Grade	Letter Grade	Definitions
94-100	A	Extraordinary distinction, indicating a full mastery of course content and excellent work.
90-93	A-	
87-89	B+	Strong performance demonstrating a high level of attainment, indicating a good comprehension of the course material and the student's full engagement with the course requirements and activities.
84-86	B	
80-83	B-	
77-79	C+	Acceptable performance, demonstrating an adequate and satisfactory comprehension of the course material and the student has met the basic requirements for completing assignments and participating in class activities.
70-76	C	
60-69	D	A marginal performance in the required exercises demonstrating a minimal passing level of attainment.
0-59	F	An unacceptable performance. The F grade indicates that the student's performance has revealed almost no understanding of the course content.

## Grading Policy

Assignments	20%
Attendance & Participation	10%
Mid-term exam	30%
Final Exam	40%

### Course Schedule

<b>Date</b>	<b>Lecture</b>	<b>Readings</b>	<b>Tutorial tasks and skill development</b>
Day 1	Managerial accounting and Cost Concepts	Chapter 1	Exercise in Ch1: 1/2/4/5 Understanding, analysis and application of accounting knowledge
Day 2	Job-Order Costing: Calculating Unit Product Costs	Chapter 2	Exercise in Ch2: 1/2/3/4 Understanding, analysis and application of accounting knowledge
Day 3	Job-Order Costing: Cost Flows and External Reporting	Chapter 3	Exercise in Ch3: 1/2/3 understanding, analysis and application of accounting knowledge
Day 4	Process costing	Chapter 4	Exercise in Ch4 1/2/3/4 Understanding, analysis and application of accounting knowledge
Day 5	Cost-volume-profit Relationships	Chapter 5	Exercise in Ch5 1/2/3/4 Understanding, analysis and application of accounting knowledge
Day 6	Analyzing Mixed Costs	Chapter 5	Exercise 5A 1/4/8 Understanding, analysis



			and application of accounting knowledge
Day 7	Mid-term exam		CH1/2/3/4/5
Day 8	Variable costing	Chapter 6	Exercise in Ch6 1/2/3 Understanding, analysis and application of accounting knowledge
Day 9	Segment Reporting	Chapter 6	Exercise in Ch6 4/5/11 Understanding, analysis and application of accounting knowledge
Day 10	Activity-Based Costing	Chapter 7	Exercise in Ch7 2/3/4/5 Understanding, analysis and application of accounting knowledge
Day 11	Master Budgeting (1)	Chapter 8	Exercise in Ch 8 1/2/3 understanding, analysis and application of accounting knowledge
Day 12	Master Budgeting (2)	Chapter 8	Exercise in Ch 8 4/5 understanding, analysis and application of accounting knowledge
Day 13	Standard Costs, and Variance Analysis	Chapter 10	Exercise in Ch10 1/2/3/5 understanding, analysis



			and application of accounting knowledge
Day 14	Different Analysis: The Key to Decision Making	Chapter 12	Exercise in Ch10 2/3/4/6 understanding, analysis and application of accounting knowledge
Day 15	Final exam		

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## Reading List:

### (1) Recommended texts

- Tyler, J, Accounting Study Guide, 5th edition, Pearson Education Australia, ISBN 978-0-7339-7869-2 (available with the textbook), 2007
- CPA Australia or The Institute of Chartered Accountants in Australia (2009), Accounting Handbook 2009, Sydney: Prentice Hall or John Wiley
- CPA Australia or the Institute of Chartered Accountants in Australia (2009), Auditing and Assurance Handbook 2009, Sydney: Prentice Hall or John Wiley
- Hoggett, J., and Edwards, L., Medlin, J. (2006), Accounting in Australia (6th Ed.), Brisbane: John Wiley & Sons
- Kimmel, P. D., Carlon, S., Loftus, J., Mladenovic, R., Kieso, D. E., Weygandt, J. J. (2006), Accounting: Building Business Skills (2nd Ed.), Brisbane: John Wiley & Sons
- Trotman, K., Gibbins, M. (2005) Financial Accounting: An Integrated Approach (3rd Ed.), Thomson Publishers
- Jackling, B., Raar, J., Williams, B., Wines, G. (2007), Accounting: A framework for decision making (2nd Ed.), McGraw-Hill Irwin
- Juchau, R. Flanagan, J., Mitchell, G., Tibbits, G., Ingram, R., Albright, T., Baldwin, B., Hill, J. (2006) Accounting: Information for Decisions (2nd Ed.), Thomson Publishers

### (2) Journals and Business Publications

- International Financial Reporting Systems(IFRS)
- GAAP(Generally Accepted Accounting Principles, American)
- Accountancy
- Accounting & Finance
- Accounting Review
- Accounting Research
- Accounting Horizon
- Journal of Finance
- Accounting & Business Research
- The Australian Accountant
- Australian Accounting Review
- CA Magazine
- Cost & Management
- Journal of Accounting and Economics
- The Journal of Accountancy
- Business Review Weekly
- Harvard Business Review
- Australian Financial Review
- Sydney Morning Herald
- Business Reports on Free-to-air Nightly News Programs