



## **COURSE SYLLABUS**

<b>COURSE TITLE:</b>	Managerial Accounting	<b>COURSE CODE:</b>	ACCT211
<b>PREREQUISITES:</b>	ACCT211	<b>SEMESTER:</b>	FALL 2020
<b>INSTRUCTOR:</b>	Prof. Emily Song	<b>CREDITS:</b>	3
<b>EMAIL:</b>	<a href="mailto:songe1@newschool.edu">songe1@newschool.edu</a>	<b>SCHEDULE:</b>	Wednesday 15h30-18h30

### **COURSE DESCRIPTION:**

This course offers students the opportunity to master managerial accounting, which is used by managers as tools to make informed managerial decisions.

The course will begin with an introduction to the concept of cost, which provides a brief overview of different types of business costs in the profit and loss account. Followed with the introduction, breakeven analysis will be discussed in detail to help students understand the relationship between contribution margin, fixed costs and net profits. Students will learn how to calculate the breakeven point, define and calculate the margin of safety and perform cost-volume-profit analysis to calculate the activity level to achieve targeted profit.

In the incremental analysis session, students will learn to identify the steps in management's decision making and how to use relevant financial data to determine and evaluate possible courses of action.

Successful completion of the class will provide the students with an invaluable asset to make sound business decisions based on cost analysis.

### **COURSE OBJECTIVES:**

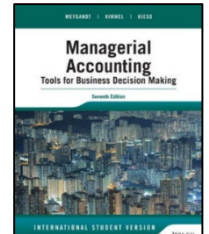
This course is designed to help students understand (i) basic concept of costs and evaluate their relevancy for different decision-making purposes; (ii) how to apply breakeven analysis for planning and management control purposes, (iii) the important relationship between cost, sales volume and profits, and (iv) how to apply incremental analysis to choose the alternative that maximizes business's earnings.

### **EXPECTED LEARNING OUTCOMES:**

Successful completion this course will enable students to understand:

- Recognize the different types or categories cost included fixed, variable, step, mixed, direct, indirect, controllable and no-controllable costs.
- Analyze the relationship between cost, volume and profit.

- Perform cost/volume/profit (break-even) analysis.
- Understand the term sales mix and its effects on break-even sales.
- Determine sales mix when a company has limited resources.
- How to optimize operating leverage to avoid earning volatility.
- How to take alternative course of action with incremental analysis



### TEXTBOOK:

Managerial Accounting: Tools for Business Decision Making, 7th Edition International Student Version, Jerry J. Weygandt, Paul D. Kimmel, Donald E. Kieso, ISBN: 978-1-118-95773-8

### EVALUATIONS:

The final grade will be determined as follows:

Class participation: 20%

Group work: 20%

In-Class assessment: 20%

Final Presentation: 40%

Please note that the passing grade for courses is 73%. Active participation in class exercises is particularly important due to evidence of the importance of the group dynamic to the learning process.

The various criteria used in evaluation of learning are referred to in The American Business School's "Grading Rubrics" document dated 6 September 2017.

Non programmable calculators without graphic display must be provided by and brought to class **by students**. Mobile phones **must not be brought to class** or examinations and will be subject to confiscation if used.

### GRADING CRITERIA:

Grades will be based on the standard ABS Grading Rubrics available on beecome.

### COURSE SCHEDULE:

Dates	Classwork	Session Content
Session 1 16 Sept	Practice exercises	<b>Introduction to the concept of costs</b> Fixed Cost Various Cost Mixed Cost
Session 2 23 Sept	Practice exercises	<b>High-low Method</b> Apply the high-low method to determine the components of mixed costs

Session 3 30 Sept	Practice exercises	<b>Overview of CVP Analysis</b> Basic components of CVP analysis Basic and Expanded profit equation CVP income statement Unit contribution margin Contribution margin ratio
Session 4 7 Oct	Practice exercises	<b>Breakeven Point (BEP)</b> Compute breakeven in units Compute breakeven in sales  <b>Targeted Net Income</b> Compute required sales volume with targeted net income Compute required sales dollars with targeted net income
Session 5 14 Oct	Practice exercises	<b>Margin of Safety</b> Margin of safety Margin of safety ratio  <b>CVP and Changes in Business environment</b> Margin of safety Margin of safety ratio
Session 6 21 Oct	Practice exercises	<b>Case Study</b> <b>Yalla Momos: Expansion dilemma of a small business</b>
Session 7 28 Oct		<b>MID TERM EXAM</b>
Session 8 4 Nov		<b>Sales mix</b> Breakeven Sales in units with sales mix Breakeven sales in dollars with sales mix Sales mix with limited resources
11 Nov	<b>No class</b>	<b>Veterans Day</b>
Session 9 18 Nov	Practice exercises	<b>Cost Structure and Operating Leverage</b> How can a company use CVP analysis to improve profitability?
25 Nov	No class	<b>Business Games</b>
Session 10 2 Dec	Practice exercises	<b>Incremental Analysis I</b> Accept an order at a special price Make or buy Sell or Process further



Session 11 9 Dec	Practice exercises	<b>Incremental Analysis II</b> Eliminate an unprofitable segment Allocate limited resources
Session 12 16 Dec		<b>FINAL EXAM</b>

**The schedule of Final Exams will be confirmed and published by 31 October 2020. The last day of the semester is 18 December 2020. DO NOT PLAN ANY TRAVEL BEFORE THIS DATE AS THERE ARE NO MAKE-UP EXAMS.**