



### MODULE SPECIFICATION

Part 1: Information			
Module Title	Management Accounting and Financial Decision Making		
Module Code	UMAD5E-30-2	Level	2
For implementation from	September 2017		
UWE Credit Rating	30	ECTS Credit Rating	15
Faculty	FBL	Field	Accounting and Finance
Department	BBS: Accounting, Economics and Finance		
Contributes towards	BA (Hons) Accounting and Finance		
Module type:	Standard		
Pre-requisites	Fundamentals of Accounting 2 <i>UMAD4Y-30-1</i>		
Excluded Combinations	none		
Co- requisites	none		
Module Entry requirements	N/A		

Part 2: Description	
	<ul style="list-style-type: none"> <li>• Calculation of cost, contribution and profit using marginal and absorption costing;</li> <li>• Reconciliation of marginal and absorption costing profits;</li> <li>• Relevant costing</li> <li>• Preparation of flexed budgets;</li> <li>• Application of standard costing and variance analysis to manufacturing and service companies;</li> <li>• Calculation and interpretation of material, labour, variable overhead, fixed overhead, and sales variances;</li> <li>• Reconciliation of budgeted and actual profit using marginal and absorption costing;</li> <li>• Advantages and disadvantages of divisionalisation;</li> <li>• Characteristics of cost, profit and investment centres;</li> <li>• Performance evaluation of cost, profit and investment centre managers;</li> <li>• Objectives of transfer pricing;</li> <li>• Application of cost based, market price, negotiated, dual rate, and marginal cost plus fixed lump sum transfer prices;</li> <li>• Impact of transfer pricing on decision making and performance evaluation;</li> <li>• Behavioural consequences of budgetary control;</li> <li>• Cash flow and taxation;</li> <li>• Divisional performance measurement using return on investment and economic value added measures;</li> <li>• Balanced scorecard and non-financial performance measurement models;</li> <li>• Incremental versus zero-based budgeting, benchmarking, and beyond budgeting;</li> <li>• Activity based costing, activity based budgeting, and activity based management;</li> <li>• Customer Profitability and Pareto analysis. <ul style="list-style-type: none"> <li>• Working capital management</li> <li>• Inventory control and the use of traditional and modern models</li> <li>• Cash management and the use of optimisation models</li> </ul> </li> </ul>

- Control of receivables and payables in the context of working capital management

In addition, delivery of the above will seek to develop students' information literacy, ICT, problem-solving, time-management, team-working, analytical, and written and oral communication skills. The educational experience may explore, develop, and practise but not formally discretely assess the following:

- locating, extracting and analysing data and information from a variety of different sources;
- presenting, discussing and defending ideas, concepts and views effectively through written and verbal communication;
- synthesizing and critically evaluating information from different sources and making reasoned judgements in situations of uncertainty;
- thinking critically, examining problems and issues from a number of perspectives, challenging viewpoints, ideas and concepts, and making well-reasoned judgements;
- applying appropriate knowledge, analytical techniques and concepts to problems and issues arising from both familiar (routine) and unfamiliar (novel) situations, identifying appropriate techniques in complex situations;
- critically evaluating prior research studies;
- working co-operatively in a group, sharing decision making and negotiating with others;
- acting independently and as part of a group to plan and undertake tasks, reflect on learning and seek and make use of feedback;
- using appropriate IT packages to search, communicate and present information;
- using electronic resources to support learning.

The teaching will be delivered through a combination of lectures/lectorials, and tutorial over 24 weeks.

Programme hours will address the development of students' core skills, such as academic and business awareness, employability and developing as accounting academics and professionals.

Lectures will provide an overview of new topic areas and lectorials will consider worked examples to support students in their application of knowledge. Tutorials will provide an opportunity for individual or group learning activities, where students can obtain feedback on technical aspects of their work and discuss and explore the topic being covered. Students will be encouraged to reflect on their learning and academic and professional development.

### Part 3: Assessment

Tutor-facilitated formative assessment opportunities during the module where students will be expected to work individually and in groups to complete tasks in tutorials and obtain feedback from tutors and peers.

The summative time-constrained assessment has to comply with professional accreditation requirements.

Summative assessments comprising:

Component A: Three-hour closed book examination.


Component B1: 2000 word (maximum) group professional report to inform strategic decision making.

Component B2: a 10 minute group presentation based upon the group professional report.

Identify final timetabled piece of assessment (component and element)	Component A	
% weighting between components A and B (Standard modules only)	A:	B:
	75%	25%

**First Sit**

<b>Component A (controlled conditions)</b>		<b>Element weighting</b>
<b>Description of each element</b>		<b>(as % of component)</b>
1. Examination (3 hours)		100%
<b>Component B</b>		<b>Element weighting</b>
<b>Description of each element</b>		<b>(as % of component)</b>
1. Group professional report 2000 words		60%
2. Group presentation on the professional report (10 Minutes)		40%
<b>Resit (further attendance at taught classes is not required)</b>		
<b>Component A (controlled conditions)</b>		<b>Element weighting</b>
<b>Description of each element</b>		<b>(as % of component)</b>
1. Examination (3 hours)		100%
<b>Component B</b>		<b>Element weighting</b>
<b>Description of each element</b>		<b>(as % of component)</b>
1. Individual professional report 2000 words		90%
2. Individual Presentation		10%
<b>Part 4: Teaching and Learning Methods</b>		
Learning Outcomes	<p>On successful completion of this module students will be able to:</p> <ul style="list-style-type: none"> <li>• apply marginal and absorption costing techniques to manufacturing companies; (A, B)</li> <li>• prepare flexed budgets; (A, B)</li> <li>• calculate and interpret variances using standard costing; (A, B)</li> <li>• reconcile budgeted and actual performance of manufacturing and service companies using both absorption and marginal costing; (A, B)</li> <li>• discuss the behavioural consequences of budgetary control; (A, B)</li> <li>• discuss alternative approaches to budgeting; (A, B)</li> <li>• discuss the advantages and disadvantages of divisionalisation and the performance evaluation of cost, profit and investment centre managers; (A, B)</li> <li>• discuss the objectives of transfer pricing and apply alternative models; (A, B)</li> <li>• discriminate between relevant and irrelevant information for decision making purposes; (A, B)</li> <li>• trace the development of key management accounting concepts such as return on investment and economic value added; (A, B)</li> <li>• evaluate the development of the Balanced Scorecard and similar models from performance measurement to strategic management models; (A, B)</li> <li>• trace the development of activity based costing into activity based budgeting and activity based management; (A, B)</li> <li>• discuss Customer Profitability and Pareto analysis.(A, B)</li> <li>• Demonstrate an understanding of the importance of working capital and its constituent parts (e.g. accounts receivable, accounts payable, inventory and cash) in corporate financing operations.(A and B)</li> <li>• Work in teams and communicate ideas clearly (B)</li> </ul>	

Key Information Sets Information (KIS)	<b>Key Information Set - Module data</b>																			
	Number of credits for this module					30														
Contact Hours	Hours to be allocated	Scheduled learning and teaching study hours	Independent study hours	Placement study hours	Allocated Hours															
	300	72	228	0	300															
Total Assessment	The table below indicates as a percentage the total assessment of the module which constitutes a;																			
	<p><b>Written Exam:</b> Unseen or open book written exam  <b>Coursework:</b> Written assignment or essay, report, dissertation, portfolio, project or in class test  <b>Practical Exam:</b> Oral Assessment and/or presentation, practical skills assessment, practical exam (i.e. an exam determining mastery of a technique)</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td colspan="2">Total assessment of the module:</td> <td></td> </tr> <tr> <td>Written exam assessment percentage</td> <td></td> <td style="text-align: center;">75%</td> </tr> <tr> <td>Coursework assessment percentage</td> <td></td> <td style="text-align: center;">15%</td> </tr> <tr> <td>Practical exam assessment percentage</td> <td></td> <td style="text-align: center;">10%</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">100%</td> </tr> </table>					Total assessment of the module:			Written exam assessment percentage		75%	Coursework assessment percentage		15%	Practical exam assessment percentage		10%			100%
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Reading List	<p><b>Essential Reading:</b>  Students are expected to purchase the essential text book. However, the text book may change from year to year and students must check with the module leader before purchasing it. The current text books are:</p> <p>Drury, C. (2008) <i>Management and Cost Accounting</i> (8th edition). Cengage Learning: UK (also essential on Fundamentals of Accounting 2)</p> <p>Arnold, B. (2008) <i>Corporate Financial Management</i> (5th edition). FT Prentice Hall: UK. (also essential on Corporate Finance)</p> <p><b>Indicative Reading List</b>  McLaney, E. (2006), <i>Business Finance Theory and Practice</i> (7th edition). FT Prentice Hall.</p> <p>Pike, R. &amp; Neale, B. (2003), <i>Corporate Finance and Investment: Decisions and Strategies</i> (3rd edition). FT Prentice Hall.</p> <p>Watson, D. &amp; Head, A. (2001), <i>Corporate Finance</i>. FT Prentice Hall.</p>																			

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First CAP Approval Date	28 March 2012			
Revision CAP Approval Date	28 June 2017	Version	3	<a href="#">link to RIA</a>