**Course Number:** AACT204

**Course Name:** Managerial Accounting

**Instructors:** Assist. Prof. Dr. Adnan HUSHMAT

**Required Text:** Introduction to Management Accounting Global Edition, 16/E

Charles T. Horngren, Gary L. Sundem, William O. Stratton, Dave Burgstahler, Jeff O. Schatzberg,

**Course Description:**

This course provides a general introduction to the concepts, challenges, and methods related to managerial accounting. Managerial accounting predominately addresses the question of how business entities use information to measure and control resources employed in producing goods and providing services. In this course you will become acquainted with some of the principles, concepts, and methods of internal reporting used in planning, control and decision making. Fundamental aspects of cost behavior, analysis, and control will also be addressed.

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| **Topics Outline** | **Estimated Contact Hours** |
| 1. An Introduction to Managerial Accounting | 3 |
| 1. Introduction to Cost Behavior and Cost-Volume-Profit Relationships    1. Identifying Activities, Resources, Costs and Cost Drivers    2. Variable Cost and Fixed Cost Behavior    3. Cost-Volume-Profit Analysis    4. Contribution Margin and Gross Margin | 6 |
| 1. Measurement of Cost Behavior    1. Cost Driver and Cost Behavior    2. Cost Functions    3. Measurement of Cost Functions | 6 |
| 1. Cost Management System and Activity-Based Costing    1. Cost Management Systems    2. Cost Accounting System    3. Cost Terms    4. Traditonal Costing    5. Activity-based Costing | 6 |
| 1. Relevant Information for Decision Making with a Focus on Pricing Decisions    1. Concept of Relevance    2. Pricing Special Sales Orders    3. Basic Principles for Pricing Decisions    4. Influences on Pricing in Practice    5. Cost-plus Pricing    6. Target Costing | 6 |
| 1. Relevant Information for Decision Making with a Focus on Operational Decisions    1. Analyzing Relevant Information    2. Make-or-Buy Decisions    3. Deletion or Addition of Products, Services or Departments    4. Optimal Use of Limited Resources    5. Joint Product Cost    6. Keeping or Replacing Equipment    7. Identify Irrelevant or Misspecified Costs    8. Conflicts between decision making and performance evaluation | 9 |
| 1. Capital Budgeting    1. Capital Budgeting for Programs and Projects    2. Discounted Cash Flow Models    3. Sensitivity Analysis and Risk Assessment    4. NPV    5. Relevant Cash Flows    6. Income Tax Effects    7. Other models | 6 |

**Recap**

**Identification of CPC Covered in this course Estimated Contact**

Accounting 24

Marketing 0

Finance 8

Management

Management Principles 2

Organizational Behavior 0

Human Resource Management 0

Operations Management 2

Economic/Social/Legal Environment

Legal Environment of Business 0

Economics 2

Business Ethics 0

Business Tools

Information Systems 0

Quantitative Methods/Statistics 0

International/Global Dimensions of Business 2

Integrative Experience 2

**Total (estimate of contact hours) 42**