

## Liverpool John Moores University

Title: INFORMATION SYSTEMS FOR MANAGEMENT  
ACCOUNTING  
Status: Definitive  
Code: **5501AG** (118880)  
Version Start Date: 01-08-2011

Owning School/Faculty: Liverpool Business School  
Teaching School/Faculty: Isle of Man International Business School

Team	Leader
Alex Watt	Y

**Academic Level:** FHEQ5      **Credit Value:** 12.00      **Total Delivered Hours:** 27.00  
**Total Learning Hours:** 120      **Private Study:** 93

### Delivery Options

Course typically offered: Runs Twice - S1 & S2

Component	Contact Hours
Workshop	26.000

**Grading Basis:** 40 %

### Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Exam	AS1	Objective Test.	30.0	1.00
Essay	AS2	Assessment: Computer based assessment and case study.	70.0	

### Aims

*To enable the student to select appropriate techniques to generate and appraise financial reports as an aid to management in the planning, control and decision making processes of an organisation; and to discuss the strengths and weaknesses of these techniques.*

### Learning Outcomes

After completing the module the student should be able to:

- 1 Distinguish between financial information required for management purposes and that required for external users;
- 10 Describe the factors involved in long term decision making;
- 11 Apply and discuss the limitations of Capital Investment Appraisal (CIA) techniques;
- 12 Prepare flexible budgets;
- 13 Explain how a standard costing system operates;
- 14 Calculate and identify the causes of materials, labour, overhead and sales margin variances;
- 15 Discuss the behaviour aspects of accounting control systems.
- 2 Differentiate between the way in which costs should be classified to meet the requirements of the various users of financial information;
- 3 Use cost-volume-profit (CVP) analysis to examine the relationship between changes in volume and changes in total revenue in the short term;
- 4 Apply CVP analysis to short term decision making situations;
- 5 Explain the importance of qualitative factors in the decision making process;
- 6 Describe the various stages in the budget process and prepare the functional and master budgets of an organisation using a spreadsheet package;
- 7 Calculate departmental overhead absorption rates and apply these to the calculation of produce cost;
- 8 Explain why different categories of overheads are assigned to products for different costing objectives;
- 9 Explain the accounting treatment of under/over recovery of overheads;

### Learning Outcomes of Assessments

The assessment item list is assessed via the learning outcomes listed:

EXAM	1	2	3	4	7	11	14							
ESSAY	3	4	5	6	7	8	9	10	11	12	13	14	15	

### Outline Syllabus

*The nature of financial information required for different user groups*

*The appropriate classification of costs for various cost objectives*

*Cost-volume-profit (CVP) analysis and short term decision-making*

*The budgeting process*

*Absorption costing*

*Capital Investment Appraisal (CIA)*

*Flexible budgets*

*Standard costing and variance analysis*

*Behavioural aspects of accounting control systems*

### Learning Activities

Computer based learning will be used to enhance traditional teaching methods.

## References

<b>Course Material</b>	Book
<b>Author</b>	Grant, S., Cook, A. M. & Lindley, L.M. (edited by Wilkinson-Riddle, G. & Patel, A.).
<b>Publishing Year</b>	1997
<b>Title</b>	Interactive Accounting: The Byzantium Workbook.
<b>Subtitle</b>	
<b>Edition</b>	
<b>Publisher</b>	(Oxford: Blackwell.)
<b>ISBN</b>	

<b>Course Material</b>	Book
<b>Author</b>	Drury, C.
<b>Publishing Year</b>	1997
<b>Title</b>	Management Accounting For Business Decisions.
<b>Subtitle</b>	
<b>Edition</b>	
<b>Publisher</b>	(London: Thomson Business Press).
<b>ISBN</b>	

<b>Course Material</b>	Book
<b>Author</b>	Horngren, C.T., Bhimani, A., Foster, G. & Datar, S.M.
<b>Publishing Year</b>	1999
<b>Title</b>	Management And Cost Accounting.
<b>Subtitle</b>	
<b>Edition</b>	
<b>Publisher</b>	(London: Prentice Hall).
<b>ISBN</b>	

<b>Course Material</b>	Book
<b>Author</b>	Glautier, M.W.E. & Underdown, B.
<b>Publishing Year</b>	1997
<b>Title</b>	Accounting Theory & Practice.
<b>Subtitle</b>	
<b>Edition</b>	(6th edition).
<b>Publisher</b>	(London: Pitman).
<b>ISBN</b>	

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## Notes

This module provides a study of the systems and techniques used in the generation of accounting information to aid management in the planning, control and decision making processes of an organisation.