

BAIHH-MA Management Accounting

Stage		2					
Semester		2					
Module Title:		Management Accounting					
Module Number/Reference		BAIHH-MA					
Module Status		Mandatory					
Module ECTS credit		5					
Module NFQ level		7					
Pre-requisite Module Titles		Financial Accounting					
Co-requisite Module Titles		N/A					
Is this a capstone module?		No					
List of Module Teaching Personnel		Joe Walsh					
Contact Hours				Non-contact Hours			Total Effort (Hours)
45				55			100
Lecture	Practical	Tutorial	Seminar	Assignment	Placement	Independent work	
35		10		25		30	100
Allocation of Marks (Within the Module)							
	Continuous Assessment	Project		Practical	Final Examination	Total	
Percentage contribution	30				70	100%	

Intended Module Learning Outcomes

On successful completion of this module, the learner will be able to:

1. Recognise and explain the component features involved in management accounting in terms of decision making, planning and control of costs and profits
2. Identify and assess new management accounting techniques being developed and implemented by pro-active organisations in the international hospitality industry
3. Define the principles of costing and apply them in industry situations
4. Describe costs by classification, behaviour and purpose
5. Assess the performance of a business from both a financial and non-financial perspective
6. Identify and explain cost behaviour patterns and apply cost-volume-profit analysis
7. Prepare and present budgets for planning, control and decision-making
8. Calculate, interpret and investigate basic sales and cost variances
9. Use management accounting techniques to make and support decision-making
10. Explain the process of payroll and the statutory deductions which employers must comply with.

Module Objectives

This module is designed to strengthen and develop the learners' financial accounting ability and provide a thorough grounding in management accounting systems and procedures operated in the hospitality industry. The module aims:

- To ensure learners have the ability to capture and analyse accounting information and can apply it to a wide range of planning, control and decision making situations
- To encourage learners to fully appreciate the management processes of planning, control and decision-making.

Module Curriculum

Introduction to cost and management accounting

- The management accounting function in the hospitality industry
- The relationship between management accounting and financial accounting

Basic cost concepts

- General nature of costs
- Determination of mixed cost elements
- Fixed versus variable costs
- Overhead, controllable, differential, relevant, sunk, and opportunity costs
- Average and incremental costs

Costing systems

- The role of costing in service sectors
- Absorption costing
- Marginal costing and the importance of contribution for decision-making
- Comparison of marginal costing and absorption costing approaches

Cost Volume Profit analysis

CVP Analysis and the importance of contribution

- Target profit or revenue
- Breakeven charts and profit/volume charts
- Limitations of CVP analysis

Ratio analysis

- Ratio standards
- Purpose of ratio analysis
- Classes of ratios
- Liquidity, solvency, activity, profitability and operating ratios
- Limitations of ratio analysis
- Usefulness of financial ratios

Forecasting methods

- Forecasting in the hospitality industry
- Overview of forecasting methods
- Selection of a forecasting method

- Short-term forecasts in the lodging industry
- Forecasting cases

Operations budgeting

- Types of budgets and reasons for budgeting
- The budget preparation process
- Budgetary control
- Determination of variances & significant variances
- Variance analysis
- Determination of problems and management action

Cash management

- Cash and its importance
- Distinction between income and cash flows
- Cash budgeting
- Float

Payroll

- Introduction to payroll
- Statutory deductions
- Pay slip requirements
- Payroll packages.

Reading Lists and other learning materials

Dopson, L.R. 2008. *Managerial Accounting for the Hospitality Industry*, John Wiley & Sons.
 Drury, C., 2011. *Management Accounting for Business* 6th ed., Cengage Learning.
 Horngren, C. Sundem, G. 2013. *Introduction to Management Accounting*, 16th ed., Pearson Education.
 Jones, T. Atkinson, H. Lorenz, A. and Harris P. 2012 *Strategic Managerial Accounting: Hospitality, Tourism and Events*, 6th ed., Goodfellow Publishing.
 Wengandt, J.J., Kimmel, P.D. and Kieso. D.E. 2015. *Managerial Accounting: Tools for Business Decision Making*, 7th ed. Wiley Publishing.

Module Learning Environment

A base classroom is used for teaching purposes for the delivery of the International Hospitality Management Programme. Participants also have access to online teaching resources and Moodle.

Library

All learners have access to an extensive range of “actual” and “remote access” library resources. The library monitors and updates its resources on an on-going basis, in line with the College’s Library Acquisition Policy. Lecturers update reading lists for this course on an annual basis as is the norm with all courses run by Griffith College.

Module Teaching and Learning Strategy

Supplemental course notes in the form of a manual are supplied on specific issues that require closer examination, analysis and research. Learners are encouraged to engage and participate in class exercises to support their learning of the module content.

Module Assessment Strategy

This module is assessed by means of coursework which accounts for 30% of the marks along with an end of semester closed book examination which accounts for 70% of the marks.