



**APPLIES TO ACADEMIC YEAR  
2001/2002**

## **BØK 9700 Managerial Accounting**

### **Program**

Associate Degree Program in Trade and Retail Management, Bachelor of Business Administration Program in Information Technology, Bachelor of Business Administration Program in Logistics Management, Bachelor of Business Administration Program in Travel and Tourism Management, Foundation Program in Business Administration, Master's Degree Program in Marketing Management, 1st year

### **Responsible for the course**

Aage Sending

### **Department**

Accounting - Auditing and Law

### **Term**

Spring

### **ECTS Credits**

12

### **Objective**

### **Prerequisites**

### **Compulsory literature**

### **Recommended literature**

### **Course outline**

### **Computer-based tools**

### **Course structure**

### **Evaluation**

### **Evaluation code(s)**

### **Aids at the examination**

### **Makeup exam**

#### **Objective**

The objective of the course is to provide the students with an insight into theories, methods and models relevant for financial control and decision making, and a mastery of the fundamentals of financial reporting directed towards internal as well as external receivers of information.

#### **Prerequisites**

No particular prerequisites required.

#### **Computer-based tools**

The course requires no use of computer-based tools. However, experience in the use of such tools will be valuable and will facilitate the work of managing the data relating to the case study. With respect to Financial Accounting a spreadsheet or a number of accounting programmes can be used. In Cost Accounting and Analysis of Financial Statements, spreadsheets can be used.

### **Gjennomføring/Course structure**

BØK 9700 Managerial Accounting is based on 100 hours of lectures:

- Subcourse 1: 16 hours
- Subcourse 2: 39 hours
- Subcourse 3: 45 hours

### **Course 1. Introduction to Accounting**

#### **Course Objectives**

The primary objective is to give the students an understanding of the basic principles of accounting and a comprehensive conceptual foundation and understanding of the basis for the Norwegian accounting system, as well as an insight into the basic principles of accounting theory as a basis for further studies in accounting.

#### **Compulsory literature**

Sending, Aa. 2001. *Forkurs i regnskap*. 3rd ed. Bergen-Sandviken: Fagbokforlaget.

#### **Course outline**

The purpose and contents of the accounts, the need for adjustments at the end of an accounting period, basic principles of recording, registration routines and charts of accounts, special registers and particular registration routines, accruals and preparing basic income statements and balance sheets.

### **Course 2: Financial Accounting and Financial Statement Analysis**

#### **Course Objectives**

The objective of the course is to give an introduction to general accounting models, evaluate the models, and give a thorough introduction to the Norwegian accounting system and the legal requirements set for the annual report and accounts. It is vital to understand how the information in financial statements can be used to evaluate the activities and financial status of businesses (ratio analysis).

#### **Literature**

Tellefsen, J.T. og J.C. Langli. 2001. *Årsregnskapet*. 7th ed. Oslo: Gyldendal. Ch. 8, 9, 10, 11 (excl. 11.4 and 11.9.3), 12 (excl. 12.5.5 and appendix 12B), 13 (excl. 13.3.2.5 and appendix 13A and appendix 13B), 14 (excl. 14.5.5 and 14.6), 15 -15.6, 20 (excl. 20.9) and 21.

#### **Recommended literature**

Sending, Aa. 2001. *Arbeidshäfte i årsregnskap og regnskapsanalyse*. 3rd ed. Bergen-Sandviken: Fagbokforlaget.

#### **Course outline**

1. The major users of financial statements
2. Assessment methods and accounting models
3. Accounting for long term assets
4. Accounting for short term assets
5. Accounting for Liabilities and adjusting and closing entries
6. Accounting for Equity
7. Taxes in the financial statements
8. The purpose of the financial statement analysis ( comparative ).
9. Financial ratios

### **Course 3: Cost Accounting**

#### **Course Objectives**

The objective of the course is to develop the students' understanding of corporate

financial control systems, focusing on concepts and theories relevant for this purpose and on how financial data can be used for control and decisions in practice.

#### **Literature**

Sending, A. 1999. *Innføring i bedriftsøkonomi*. 2. utg. Bergen: Fagbokforlaget. Chapters 1-10

#### **Recommended literature**

Sending, A. 2000. *Arbeidshäfte til Innføring i bedriftsøkonomi*. 2. utg. Bergen: Fagbokforlaget.

Sending, Aa. 1999. *Case og eksamensoppgaver i bedriftsøkonomisk analyse*. 2. utg. Bergen: Fagbokforlaget (valid for all sub-courses).

#### **Course outline**

1. Theory of cost, theory of demand, different market structures, output-decisions, pricing
2. The purpose of Managerial Accounting.
3. Calculations and cost accounting according to the traditional method and the contribution method.
4. Introduction to different cost accounting models (Job Order Costing, Process Costing and Standard Costing.
5. Basic understanding of Cost Variance Analysis.
6. Analysis of financial data for short term decision making: relevant costs and CVP-analyses.

#### **Evaluation**

A five-hour written examination, based on the required readings and a case study, completes the course in Managerial Accounting (BØK 9700).

A case, to be solved in the course of the term, can be downloaded from the Internet by November 1st 2001 for the autumn term and by April 18th 2002 for the spring term. A week later the case will be available in hardcopy at each regional school. The case may include material from all the individual three courses, and students may profit from using computer-based tools when solving the case. Supplementary material may be distributed along with the case.

The case paper will not be handed in for marking, but will be needed at the examination.

The examination may consist of practical and theoretical questions relating to the syllabus and particular questions related to the case study or the solution to the case, or related to supplementary material. Only to a very small extent should the solution to the case be reproduced by the candidate.

The grade is based solely on the written examination. The web-adress for the course is: <http://www.zyworld.com/aage/> or <http://on.to/aage>.

#### **Evaluation code(s)**

BØK 97001 Managerial Accounting - Written exam.

#### **Aids at the examination**

All aids are allowed.

#### **Makeup exam**

A makeup exam is held in every term.