



APPLIES TO ACADEMIC YEAR 2015/2016

## **BØK 3434 Managerial Accounting and finance**

### **Programme**

Bachelor of Arts Management (1. year), Bachelor of International Marketing (1. year), Bachelor of Marketing Management (1. year), Bachelor of PR and Market Communication (1. year), Bachelor of Retail Management (1. year), Foundation Program of Marketeconomy

### **Responsible for the course**

Rolf Gunnar Strand, Knut Eikre Larsen

### **Department**

Department of Accounting - Auditing and Business Analytics

### **Term**

According to study plan

### **ECTS Credits**

7,5

### **Language of instruction**

Norwegian

### **Introduction**

The aim of this first course in the field of managerial accounting is to give students basic elementary knowledge and skills, so that they can take part in discussions on managerial accounting problems, carry out simple managerial accounting analyses, make correct decisions in managerial accounting and communicate the results of the analyses in an understandable manner.

### **Learning outcome**

#### **Acquired learning**

After having completed the course, the students shall be capable of explaining concepts and give an account of important tools used in analyses of managerial accounting problems (tools include connections, methods, techniques, models, theories, etc. that are applied in the subject area).

- Examples of concepts that students must be able to explain: fixed costs, variable costs, sunk cost, present value, internal rate of return, alternative cost, income statement, gross margin, return on total assets, cash flow.
- Examples from the toolbox: contribution margin calculations, full costing, income statement, cash budget, break-even turnover, profit maximization, ratios and variance analyses.

#### **Acquired skills**

After having completed the course, the students shall be able to (a) apply acquired knowledge (concepts and tools) in analyses and discussions of managerial accounting problems, (b) distinguish between relevant and irrelevant information, and (c) give written answers to questions so that the readers understand applied method and conclusions. Examples:

- When the tool is given, be able to apply the tool correctly
- Based on a simple situation description, be able to choose the correct tool and apply it correctly
- Based on more complex situation descriptions, be able to seek out relevant information, link it to the correct tool and apply the tool correctly.

#### **Reflection**

After having completed the course, the students shall be able to ask critical questions and reflect on crucial presumptions and assumptions within the managerial accounting field.

### **Prerequisites**

No particular prerequisites are required.

### **Compulsory reading**

#### **Books:**

Sending, Aage. 2013. Økonomistyring 1. 2. utg. Fagbokforlaget

### **Recommended reading**

#### **Books:**

Sending, Aage. 2013. Arbeidshefte til Økonomistyring 1. 2. utg. Fagbokforlaget

### **Course outline**

The course consists of the following three parts:

### Part 1: Accounting and budgeting

- The main financial statements (income statement and balance sheet)
- Principles and key valuation rules in the financial statements
- How can financial statements be used (financial statement analysis)
- Budgetary planning and control
  - Budgeted profit and loss account, budgeted balance sheet and cash budget

### Part 2: Cost and income analysis

- Costs
- Calculation: contribution and full cost
- Cost-volume-profit analyses
- Income theory and market adaptation
- Some particular decision problems
  - Decision-relevant costs and income
  - Free capacity
  - Profitability analyses of marketing campaigns and discounts
  - Choice of product when resources are limited

### Part 3 Capital investment appraisal

- Time value of money, interest calculation and discounting
- How to measure the profitability of investments?
- Capital requirements and financing

### Computer-based tools

No particular computer-based tools are required in this course.

### Learning process and workload

The course consists of lectures, assignment reviews by the lecturer and self-tuition (reading the syllabus and doing assignments).

Recommended workload:

| Activity   | Timebruk   |
|--|------------|
| Attendance at lectures   | 57         |
| Preparation for assignment reviews, work on syllabus and coursework requirements | 113        |
| Exam preparations  | 30         |
| <b>Total recommended workload</b>  | <b>200</b> |

The recommended workload for coursework requirements will depend on how much the students have worked on the syllabus before the coursework requirements are made accessible. Some of the coursework requirements may require a considerable effort if the students are lagging behind the progress plan for the course.

The teaching will consist of lectures covering part of the syllabus and assignment reviews. Students are expected to study the parts of the syllabus that are not covered by lectures or assignment reviews on their own. The lectures are based on students being prepared (i.e. that they have read the syllabus and done the assignments before the lectures).

### E-learning

The e-learning platform its learning is used to publish relevant syllabus, assignments and digital learning resources, and the students are given the opportunity to communicate with the e-learning teacher and fellow students. Intensive teaching is given in modules at the beginning of the semester and before the exam. The e-learning students are also offered a study guide to the syllabus which includes a reading plan, relevant exercises, references and comments to the course syllabus.

Recommended workload:

| Activity   | Timebruk   |
|--|------------|
| Attendance at lectures (weekend sessions)                              | 8          |
| Preparation for assignment reviews                                     | 30         |
| Work on syllabus, study guide, assignments and coursework requirements | 132        |
| Exam preparations  | 30         |
| <b>Total recommended workload</b>                                      | <b>200</b> |

### Use of hours

The course consists of 60 resource hours, 57 hours are dedicated to lectures and 3 hours are dedicated to following up coursework assignments on its learning.

### Coursework requirements

Eight coursework assignments are published per semester. Five of these must be approved in order to be able to take the exam. In order for the coursework assignments to be approved they must meet certain minimum requirements (e.g. a certain number of questions must be answered correctly). Further information is given at lectures and itslearning.

**Examination**

A five-hour, individual written exam concludes the course.

**Examination code(s)**

BØK 34221 – Written exam, which accounts for 100 % of the grade in the course BØK 3434 Managerial Accounting and finance.

**Examination support materials**

Interest tables and BI approved exam calculator. Examination support materials at written examinations are explained under examination information in the student portal @bi. Please note use of calculator and dictionary in the section on support materials ([https://at.bi.no/EN/Pages/Exa\\_Hjelpemidler-til-eksamen.aspx](https://at.bi.no/EN/Pages/Exa_Hjelpemidler-til-eksamen.aspx)).

**Re-sit examination**

A makeup exam is held every term.

**Additional information**