

BFM234 ACCOUNTING FOR NON FINANCIAL MANAGERS

Academic Year 2012/13

Number of Aston Credits: 15

Number of ECTS Credits: 7.5

Staff Member Responsible for the Module:

Mr Matt Davies, Finance and Accounting Group
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Availability: Details of office hours will be made available during the first lecture

Or contact the Finance, Accounting & Law Group Administrator,
Mrs Rosaleen Shirley, Room ABS 404, Extension 3238

Other Staff Contributing to the Module:

Lisa Weaver, Finance and Accounting Group
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Availability: Details of office hours will be made available during the first lecture

Or contact the Finance, Accounting & Law Group Administrator, Rosaleen Shirley,
Room ABS 404, Extension 3238

Pre-requisites for the Module:

None

Mode of Attendance:

On Campus

Module Objectives and Learning Outcomes:

This module provides an introduction to understanding and interpreting the main financial statements for a business, the Income Statement, Balance Sheet and Cash Flow and addresses current international financial reporting issues including earnings management. It also introduces the financial information used by managers in decision making, including the calculation of product/service costs. Students will learn the accounting based tools and techniques that managers can apply but will also



develop an appreciation of the underlying assumptions and limitations of those techniques. The course emphasises the interpretation of financial information, rather than its construction and introduces a variety of theoretical concepts.

After completing the module, students should be able to:

- > Understand the broader financial context in which businesses operate;
- > Communicate more effectively in business situations with stakeholders and managers;
- > Identify the key information from a business situation, formulate it as a problem and select the appropriate accounting techniques to solve the problem;
- > Perform the necessary calculations to solve the problem;
- > Interpret the results of financial calculations and explain their relevance to other members of the management team;
- > Recognise the limitations of accounting and how financial techniques may need to be supplemented with other approaches;
- > Appreciate the theoretical assumptions behind various accounting techniques and the application of those techniques.

Module Content:

- Week 1:** Introduction to financial statements
- Week 2:** Key accounting treatments
- Week 3:** Interpreting financial statements (1) - Ratio Analysis
- Week 4:** Interpreting financial statements (2) – Further analysis and current issues
- Week 5:** Introduction to management accounting and relevant costs for decisions
- Week 6:** Cost Volume Profit (CVP) and contribution analysis
- Week 7:** Costing
- Week 8:** Budgeting and budgetary control
- Week 9:** Revision
- Week 10:** Examination

Corporate Connections:

The module draws on the lecturers' research and consultancy experience in a variety of industries.

International Dimensions:

Extensive use is made of mini case studies and current business examples drawn from the UK, Europe, the USA, and Japan. The module draws on international accounting standards, trends towards accounting harmonization and techniques and cases from the US (e.g. activity based costing) and Europe (e.g. vehicle manufacture).

Contribution of Research:

Research into shareholder value management, social and environmental accounting and the Operating and Financial Review report will be used to inform the lectures on this module.

Ethics, Responsibility & Sustainability:

This module considers current issues, which include the broader accountability role of accounting and introduces students to corporate social responsibility/sustainability reporting. These issues are considered in the context of both external reporting and also internal performance management through an introduction to the 'Balanced Business Scorecard'.

Method of Teaching:

Lectures and workshops in a flexible 3 hour session per week.
A mixture of lectures, exercises and case studies will be used.

Important elements of the course are:

- > Self study on the 'My Accounting Lab' web-based learning resource provided by Pearson;
- > Completion of set exercises from the texts and resource pack;
- > Individual reading from the texts and supplementary reading.



Method of Assessment and Feedback:

The assessment comprises one piece of coursework (30%) and an end of module examination (70%).

The coursework will be in the form of a group project. Further details, including the deadline for completion of the project will be provided at the start of the module.

The examination will be a closed book examination of three hours duration that will be sat in week 10. The examination paper will comprise three sections as described below:

- Section A (weighted at 40%): 16 compulsory multiple choice questions.
Section B (weighted at 30%): choice of one from two questions involving financial accounting material.
Section C (weighted at 30%): choice of one from two questions involving management accounting material.

Feedback is available on request either during office hours, via email or on Blackboard.

The learning, teaching and assessment methods are appropriate to the learning objectives in that students are expected to focus on and become proficient with numeric problem solving and providing reasoned explanations and interpretations of their solutions.

Learning Hours:

Contact Hours	27
Directed Learning – Exercises (8 x 5)	40
Further Private Study	14
Directed Reading	16
Group Work	50
Assessment	3
Total	150

The following essential and recommended readings are subject to change. Students should not therefore purchase textbooks prior to commencing their course. If students wish to undertake background reading before starting the course, many of the chapters/readings are available in electronic form via on-line library catalogues and other resources



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Essential Reading:

McLaney, E, and Atrill, P, (2010) *Accounting for Managers*, 5th Edition. Pearson. (Or 6h edition if available).

Indicative Bibliography:

Collier, P.M (2009) *Accounting for Managers: Interpreting Accounting Information for Decision Making*, 3rd Edition,. John Wiley

Holmes, G, Sugden, A and Gee, P, (2008) *Interpreting Company Reports and Accounts*, 10th Edition, Pearson Education.

Hopper T, Northcott D & Scapens R (2007), *Issues in Management Accounting*, 3rd Edition, Prentice Hall.

Additional Resources:

Students are strongly encouraged to purchase the McLaney and Atrill textbook, as this will give them access to the 'My Accounting Lab' web-based learning resource provided by Pearson.

Additional teaching material may be issued for some topics as appropriate. Details of any such material and revision material will be made available on Blackboard.

Additional resources specifically for the group project will be provided at the start of the module.



For further information on any of the opportunities that Aston Business School offers, please contact:

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