

## **Cost and Managerial Accounting**

**Faculty: Faculty of Economy**

**Study program: Bachelor in Business Administration**

**Course Title: Cost and Managerial Accounting**

**Course Credits: 7 ECTS**

**Language of Instruction: Albanian and English**

### **Course Description:**

The primary objective of this course is to present accounting information as a management tool. Managers make extensive use of accounting information in performing their tasks, whether they be in managing an accounting department, planning and controlling a marketing budget, reviewing investment proposals, or managing a non-profit organization. Accordingly, this course introduces the student to the essential elements of management accounting, brings them through the planning and control techniques of budgeting, shows them how to allocate costs to products or services, and introduces them to analytical techniques such as break-even analysis, simple regression analysis, and the Excel computer spreadsheet program.

### **Course Goals:**

Upon completion of the course, successful students should be able to:

- Describe management accounting and contrast it to financial accounting.
- Understand the role of management accountants in an organization.
- Understand the importance of upholding ethical standards.
- Understand how fixed and variable costs behave and how to use them to predict costs.
- Prepare the cost of goods manufactured schedule, cost of goods sold, and the contribution income statement.
- Understand the flow of costs in a job-order costing system and prepare appropriate journal entries to record such Compute predetermined overhead rates and apply overhead cost to Work in Process.
- Understand why organizations budget and the processes they use to create budgets.
- Explain how direct material and direct labor standards are set and compute direct materials and direct labor variances and explain their significance.
- Compute the return on investment (ROI) and show how changes in sales, expenses, and assets affect an organization's ROI.
- Compute the break-even point and prepare and interpret a cost-volume-profit (CVP) graph.
- Compute the target selling price of a product or service using the price elasticity of demand and variable cost.

**Course Requirements:** The basic literature is Management Accounting from Garrison, Noreen, Mc Graw Hill, Inc.. The course is organized in lessons and seminars. During seminars students performs quizzes, presolved at home assigned exercises.

Drury, Kontabilitet Kostot, 2010, Botimi i gjashtw. 400 fq List and describe the assessments which contribute to course score. (May include exams, portfolios, participation, attendance, papers, oral reports, group projects, assignments, etc.)

**Grading:**

The overall grade of this course is as follows:

	Points
Mid term Exam	20
Attendance with active participation	10
Group project	10
Final Exam	60
Total	100

For grading purposes the students are given at the beginning of the academic year, instructions relating to seminar participation, weekly group project paper submission ( each group submits a paper for the weekly work), etc..

**Course Schedule:** This course is developed on three lessons and two seminars per week, through 15 week semester.