

McDaniel College Budapest
BUA 1102 – Principles of Accounting II.

Classes

Foreseeably Fridays, 8.30-11.45 p.m.; *Room to be determined later*

Professor

Gergely Mohl, Ph.D.

Contact information

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Availability

I am personally available after the classes. My online availability (via email) is virtually unlimited.

Course Description

The primary objective of accounting is to provide information to support decision making. Therefore, the general aim of the course is to create and develop the ability of the participants to generate, use and utilise management accounting information in the framework of their own economic activity. At the end of the course the participants should be able to understand and use both basic and advanced tools of management accounting. Theory will be illustrated through numerous examples.

The course is the continuation of previous semester's financial accounting subject.

Participants are expected to be very active in their learning both in the class and at home.

Course objectives

The general aim of the course is to create and develop the ability of the participants to use and utilise managerial accounting information in the framework of their own economic activity.

At the end of the course participants should be able to prepare basic operational and capital budgets (including cash flow statements) and to use various costing techniques, while also becoming able to interpret the results thereof applying analytical methods. Theory will be illustrated through numerous examples and if suitable real life problems and cases are used.

The course also intends to create a solid basis for further advanced level accounting studies.

Learning outcomes

After completing the course, the students should:

- be able to understand to role of managerial accounting within a business entity;
- be able to use job, process, activity based and target costing methods;
- perform a CVP analysis;
- perform incremental analysis;
- have an understanding of responsibility accounting;
- have an understanding of the basics of transfer pricing;
- have an understanding of the basics of both operational and capital budgeting and the rewarding of business performance;
- be able to prepare basic cash flow statements.

Required texts

- **Williams – Haka – Bettner – Carcello: Financial & Managerial Accounting, 17th edition** (*earlier editions are NOT ACCEPTABLE due to numerous and major changes in material*) McGraw-Hill 2015
- Handouts during the semester

Recommended readings

- H. Thomas Johnson, Robert S. Kaplan: *Relevance Lost – The Rise and Fall of Management Accounting*, McGraw-Hill Professional 1991
- Thomas A. King: *More Than a Numbers Game – A Brief History of Accounting*, Wiley 2006

Website of the course

www.mcdaniel.edu or <https://bb.mcdaniel.edu/webapps/login/>

The course uses the BLACKBOARD Learn system.

You may find this syllabus and the in-class PP presentations, mock exams (in advance) uploaded there.

Assessment & grading

Students may choose the form of assessment to be applied.

It is either

- Class participation (max. 10 pts)
- A series of six closed book in-class tests (max. 90 pts)
- Extra assignment(s) (up to 20 pts)

OR

- Class participation (max. 10 pts)
- Final exam (max. 90 pts)
- Extra assignment(s) (up to 20 pts)

*Each student will be offered a grade at the end of the semester based on their tests' results and class participation. However, students are free to irrevocably drop the points of the tests and sit a **CLOSED BOOK** final exam instead, during the final exams' week.*

(The mid-term grade is based on class participation and the result of already written quizzes and extra home assignments (if any).)

Missed in-class quizzes may only be made up in the following week, after presenting a certificate issued by a G.P.

Extra assignments for extra points may or may not occur during the semester.

Grading system – 100 points total

An 'eased' McDaniel College scale is applied (% and grade respectively):

96-100	A+
91-95	A
87-90	A-
83-86	B+
79-82	B
75-78	B-
71-74	C+
67-70	C
63-66	C-
59-62	D+
55-58	D
51-54	D-
< 51	F

Class participation and the importance of continuous learning

Informed, critical exchange of ideas forms the core of the College learning experience. It should occur in every classroom. *Besides this, accounting courses are described as “difficult” and “extremely demanding” by the vast majority of students. Based on previous experience almost the only way to master an accounting course is **CONTINUOUS** (i.e. week after week) **learning and practicing**.* You are therefore encouraged to ***prepare hard*** for the series of in-class tests and to solve recommended home assignments ***using your best efforts*** to achieve a satisfying grade. I will do my best to assist you with that.

In-class participation plays an important role in the final determination of your course grade too. Firstly, it is essential because of the in-class tests.

Secondly, examples solved during the classes are essential to understand the topic being discussed and they also make your preparation for the tests or final exam a lot easier. You are also expected to share ideas during discussions and you are wholeheartedly encouraged to ask questions when you do not understand something.

Participation implies attendance; absences will be noted and will adversely affect your final participation grade.

Creation of a proper classroom environment requires above all else respect for fellow students. I ask that you do not be late; that you do not surf the internet on your laptop, cell phone or otherwise distract everyone else during class; that you turn off your cell phone and that you do not check for messages during class. Likewise, you can expect me to end class on time, and to engage you in discussion.

Honour code

You are expected without question to adhere completely to the McDaniel College academic honour code. Any violation will result in a zero for the given assignment and other possible sanctions.

Course policies

You may be absent anytime, no questions asked – you need not explain the cause of your absence. Unexcused absences, however, may lead to a loss of points from your class participation points. You may receive 10 points for 10 occasions, 1 point for each. Please note that we meet for two consecutive sessions per week – appearance point goes for being present at both of them. Do not be late – a tardy arrival is impoliteness.

%

Semester schedule/topics covered

Week	Date	Topic	Textbook ¹
1		Introduction; The basics of management accounting	Chapter 16
2		Job costing, ABC	Chapter 17
3		<i>IN-CLASS TEST 1</i> ; Process costing	Chapter 18
4		Costing and the value chain	Chapter 19
5		<i>IN-CLASS TEST 2</i> ; CVP analysis	Chapter 20
6		Incremental analysis <i>National holiday – no classes</i>	Chapter 21
7		<i>IN-CLASS TEST 3</i> ; Practicing <i>Spring break – no classes</i>	-
8		Responsibility accounting and transfer pricing	Chapter 22
9		<i>IN-CLASS TEST 4</i> ; Statement of Cash Flows	Chapter 13
10		Operational budgeting	Chapter 23
11		<i>IN-CLASS TEST 5</i> ; Capital budgeting	Chapter 26
12		Rewarding business performance	Chapter 25
13		<i>IN-CLASS TEST 6</i> ; Practicing	-

Final exam – Time to be announced

The schedule is subject to changes. Actual dates are to be announced later.

¹Williams – Haka – Bettner – Carcello book 17th edition