

**City University of Hong Kong**

**Information on a Course  
offered by Department of Accountancy  
with effect from Semester A in 2012 / 2013**

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**Part I**

**Course Title:** Financial and Management Accounting

**Course Code:** AC5511

**Course Duration:** 1 semester

**Credit Units:** 3

**Level:** P5

**Medium of Instruction:** English

**Prerequisites:** Nil

**Precursors:** Nil

**Equivalent Courses:** Nil

**Exclusive Courses:** Nil

**Part II**

**Course Aims**

This course aims to:

1. provide students with technical knowledge in processing, preparing and reporting accounting information for external users in a modern economy;
2. develop students' conceptual skills and professional competence in the preparation and reporting of financial accounting information under generally accepted accounting principles (GAAP) in Hong Kong;
3. provide students with an in-depth understanding of the underlying accounting concepts and accounting standards governing the preparation of financial statements under Hong Kong GAAP for external users.
4. review the functions and information needs of management in the contemporary business environment.
5. provide students with the knowledge of inventory valuation and product costing in a manufacturing company at a level suitable for managers.

### Course Intended Learning Outcomes (CILOs)

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

No.	CILOs	Course aims
1.	Record accounting transactions related to Cash, Receivables, Inventories, Fixed Assets, Payables, Shareholders' equity, Revenues, Costs of merchandise sold, and Expenses; Prepare financial statements (statement of financial position, statements of shareholders' equity, statements of retained earnings, and income statement) for servicing and merchandising companies.	1
2.	Apply the appropriate accounting concepts and policies and relevant Hong Kong Financial Reporting Standards (HKFRSs) to the recognition, measurement and disclosures relating to assets.	2 and 3
3	Value inventory in a manufacturing company using job-order costing and process costing.	4 and 5
4	Compute income using variable costing and absorption costing.	4 and 5
5	Use cost-volume-profit analysis to ascertain the financial information for management decision	4 and 5

### Teaching and Learning Activities (TLAs)

*(Indicative of likely activities and tasks designed to facilitate students' achievement of the CILOs. Final details will be provided to students in their first week of attendance in this course)*

CILO No.	TLAs
CILO 1	Lectures, in-class activities and assignments designed to assist students' understanding and learning of the accounting cycle and preparation of financial statements for the external users.
CILO 2	Lectures, in-class activities and assignments designed to assist students' understanding and preparation of the financial statements in respect of the assets in accordance to the Hong Kong financial reporting framework.  Group project and group presentation to help students understand financial accounting information reported in annual report of publicly listed companies and develop insights into the financial performance of companies *
CILO 3 & 4	Lectures, in-class activities and assignments designed to assist students' understanding and preparation of the valuation of inventory and income measurement using different costing methods and systems
CILO 5	Lectures, in-class activities and assignments designed to assist students' ability to analyse the relationship among cost, profit, and volume

\*DEC TLA element

### **Assessment Tasks/Activities**

*(Indicative of likely activities and tasks designed to assess how well the students achieve the CILOs. Final details will be provided to students in their first week of attendance in this course)*

<b>CILO No.</b>	<b>Type of Assessment Tasks/Activities</b>	<b>Weighting (if applicable)</b>	<b>Remarks</b>
CILO 1 CILO 2 CILO 3 CILO 4 CILO 5	AT1, AT2, AT3 and AT4		

Coursework: 50%

AT1 Class-based assessment activities (10%): Students will work on short problems and demonstrate the solutions to problems. They will also be asked to discuss cases and to present their case analysis.\*

AT2 Tests (25%): A 2-hour mid-term test as a mid-semester assessment of students' competence level of the topics.

AT3 Group Project (15%): A group project on financial statement analysis. \*

Examination: 50% (a 3-hour examination)

AT4 A written comprehensive examination to assess students' competence level of the topics.

\*DEC AT element

***Students are required to pass both coursework and examination components in order to pass the course.***

**Grading of Student Achievement:** Also refer to Grading of Courses in the Academic Regulations for Taught Postgraduate Degrees.

<b>CILO No.</b>	<b>Excellent (A+, A, A-)</b>	<b>Good (B+, B, B-)</b>	<b>Adequate (C+, C, C-)</b>	<b>Marginal (D)</b>
CILO 1	Demonstrate excellent technical knowledge of the purpose and the procedures of the accounting cycle, analyzing and journalizing new business transactions, and preparing all financial reports in accurate manner and format.	Demonstrate good technical knowledge of the procedures of the accounting cycle, analyzing and journalizing business transactions, and preparing all financial reports in accurate manner.	Demonstrate adequate technical knowledge of the procedures of the accounting cycle, analyzing and journalizing some business transactions, and preparing some financial reports.	Demonstrate basic technical knowledge of the accounting cycle, journalizing some business transactions, and preparing some financial reports.
CILO 2	Correctly identify and apply appropriate accounting concepts and policies and relevant Hong Kong Financial Reporting Standards (HKFRSs) to the recognition, measurement and disclosures relating to assets. Demonstrate a superior grasp of the relevant GAAP in the given context.	Correctly identify and apply appropriate accounting concepts and policies and relevant Hong Kong Financial Reporting Standards (HKFRSs) to the recognition, measurement and disclosures relating to assets. Demonstrate a good grasp of the relevant GAAP in the given context.	Correctly identify and apply most of the accounting concepts and policies and relevant Hong Kong Financial Reporting Standards (HKFRSs) to the recognition, measurement and disclosures relating to assets. Show basic understanding of the relevant GAAP in the given context.	Correctly identify and apply some of the accounting concepts and policies and relevant Hong Kong Financial Reporting Standards (HKFRSs) to the recognition, measurement and disclosures relating to assets. Able to recall some principles under relevant GAAP in the given context.
CILO 3	Demonstrate an excellent ability to evaluate, compute and apply job costing and process costing system to value inventory in a manufacturing company.	Demonstrate a good ability to evaluate, compute and apply job costing and process costing system to value inventory in a manufacturing company.	Demonstrate an adequate ability to evaluate, compute and apply job costing and process costing system to value inventory in a manufacturing company.	Demonstrate a basic ability to evaluate, compute and apply job costing and process costing system to value inventory in a manufacturing company.

<b>CILO No.</b>	<b>Excellent (A+, A, A-)</b>	<b>Good (B+, B, B-)</b>	<b>Adequate (C+, C, C-)</b>	<b>Marginal (D)</b>
CILO 4	Demonstrate an excellent ability to evaluate, compute the income based on variable costing and absorption costing system in a manufacturing company.	Demonstrate a good ability to evaluate, compute the income based on variable costing and absorption costing system in a manufacturing company.	Demonstrate an adequate ability to evaluate, compute the income based on variable costing and absorption costing system in a manufacturing company.	Demonstrate a basic ability to evaluate, compute the income based on variable costing and absorption costing system in a manufacturing company.
CILO 5	Demonstrate an excellent ability to compute, evaluate, and interpret the relationship among the cost, profit, and volume in a manufacturing company.	Demonstrate a good ability to compute, evaluate, and interpret the relationship among the cost, profit, and volume in a manufacturing company.	Demonstrate an adequate ability to compute, evaluate, and interpret the relationship among the cost, profit, and volume in a manufacturing company.	Demonstrate a basic ability to compute, evaluate, and interpret the relationship among the cost, profit, and volume in a manufacturing company.

### **Part III**

#### **Keyword Syllabus**

1. Introduction to financial accounting and basic financial statements
2. The Accounting Cycle
3. Accounting adjustments
4. Reporting financial result
5. Merchandising activities and Inventories
6. Property, plant and equipment and Intangible assets
7. The business environment, cost terminology, the role of managerial accountant, ethics
8. Job-order costing
9. Process costing
10. Cost behaviour, cost-volume-profit relationships
11. Variable costing & absorption costing

#### **Recommended Reading**

##### **Text(s)**

1. John J. Wild, Ken W. Shaw, Barbara Chiappetta, Winston Kwok, Principles of Financial Accounting; 20th edition; The McGraw-Hill Companies, Inc.
2. Ray H. Garrison, Eric W. Noreen, Peter C. Brewer, Nam Sang Cheng, Katherine C. K. Yuen. Managerial Accounting: An Asian Perspective. The McGraw-Hill Companies, Inc.

## Online Resources

1. Blackboard site for the course
2. Textbook Supporting Website: [www.mhhe.com/wildFAP19e](http://www.mhhe.com/wildFAP19e)
3. *Hong Kong Financial Reporting Standards* (HKFRSs) – Members Handbook, Hong Kong Institute of Certified Public Accountants  
[http://www.hkicpa.org.hk/ebook/HKSA\\_Members\\_Handbook\\_Master/volumeII/contentpage.pdf](http://www.hkicpa.org.hk/ebook/HKSA_Members_Handbook_Master/volumeII/contentpage.pdf)