

Management accounting: fundamentals

Composante
Institut d'Administration des Entreprises (IAE)

Volume horaire
10h

Présentation

Description

This course is divided into three parts:

- Cost accounting for decision making, a review
 - International reporting, groups and small businesses
 - Transfer prices in international groups. The first part will focus on the selection of relevant costs to specific decisions. The second part will deal with the development of income statements, the usual techniques in management reporting (consolidation of financial information) and the implementation of scorecards. The third part will be devoted to the determination of transfer prices according to the OECD rules and to their implementation in local tax law. Each part will include short or long cases studies according to the topic.
- Course prerequisites: Basic knowledge in management accounting.

Heures d'enseignement

Management accounting: fundamentals - CM

CM

10h

Programme détaillé

Session 1 (4h) :

CHAP. 1: COSTS ACCOUNTING FOR DECISION MAKING, A REVIEW

- a) Costs relevancy: definitions and implementation
- b) Guidelines for determining costs in specific decisional contexts
- c) Case study

Session 2 (6h) :

CHAP. 2: INTERNATIONAL REPORTING

- a) Management accounting consolidation methods
- b) Case Study
- c) Scorecards: "Measures that drive performance": Theory through a case study

Session 4 (6h)

CHAP. 3: TRANSFER PRICES IN INTERNATIONAL GROUPS

- a) Objectives of transfer prices system
- b) Normative context for transfer pricing
- c) OECD and transfer prices: globally accepted valuation methods
- d) Controlling and assessing transfer pricing policies
- e) Case study

Grading system

Continuous assessment: 100% An average collective mark of all the assignments taken in class (case studies) And an individual mark on a personal assignment (one of the case study-related questions)

Compétences visées

- Identify the categories of cost in management accounting methods
- Select relevant costs for specific decisions
- Build on cost analysis to provide relevant recommendations
- Set up linkage maps to prepare scorecards
- Select relevant measures to build up scorecards
- Organize information in scorecards to facilitate strategic decisions
- Identify the objectives of transfer price systems

- Know how to comply to the OECD principles regarding transfer prices within a group
- Identify the consolidation scope of a groupe
- Identify transaction within the consolidation scope
- Operate a functional analysis of a group
- Choose transfer pricing pethods consistently with the functional analysis of the group
- Control and asses transfer pricing policies

Bibliographie

Introduction to Management accounting, Bhimani, Horngren, Sundem, Stratton, Schatzberg, Burgstahler, Pearson, 2012

Advanced Financial Reporting, A complete Guide to IFRS, Derry Cotter, Financial Times Prentice Hall, Pearson, 2012

Interpretation and Application of International Accounting and Financial Reporting Standards, B. Epstein, E. Jermakowicz, Editions John Wiley and Sons, 2010

Balanced Scorecard, The Balanced Scorecard: Translating Strategy into Action, Kaplan and Norton, Harvard University Press, 1996

Web sites:

www.oecd.org

www.ifrs.com