

MBA 623 – Accounting: Understanding Firm Performance and Information Decisions

Instructor:

Text: *Financial and Managerial Accounting for MBAs, 3rd edition* by Easton, Halsey, McAnally, Hartgraves, Morse
Selected case studies – likely custom published selections

Course Goal:

At the conclusion of this course, student will be able to analyze financial statement and draw informed conclusions regarding firm performance from varied perspectives, e.g. lender, owners, vendor. Student will be able to apply commonly accepted tools to financial statement interpretation and understand the impact of IFRS regulations on financial reporting. Students will also understand, and be able to apply, appropriate decision techniques to managerial problems as they manifest themselves in the normal course of business operations.

Course Objectives:

By the end of the course, students will be able to:

1. Describe the origin and the reason for the development of the conceptual framework.
2. Describe key objectives of preparing financial statements and how the financial statements interconnect.
3. Recognize the historical US GAAP and the impact of IFRS standards.
4. Be able to describe economic events impact on the company in financial statement terms.
5. Describe the structure, components and interactions of the Income Statement, the Balance Sheet, and the Statement of Cash Flows and the importance for note disclosures.
6. Apply appropriate financial ratios used to assess a firm's efficiency of asset use, profitability, liquidity, and financial risk.
7. Use CVP analysis techniques to a wide variety of circumstances and develop appropriate responses to unstructured problem situations.
8. Understand the variety of methods used to cost products and how to appropriately apply them to unique situations.
9. Be able to use appropriate analysis to support non-routine decisions that face management, e.g. allocation of scarce resources, make/buy decisions, incorporating opportunity costs into decisions, allocation of joint product costs, setting transfer prices, etc.

Course Outline:

	Topic
Class 1	Building financial statements and understanding interrelationships
Class 2	Analyzing and interpreting financial statements
Class 3	Reporting & analyzing Operating assets and income
Class 4	Reporting & analyzing Intercorporate investments and off-balance sheet financing
Class 5	Reporting & Analyzing owner.& non-owner financing
Class 6	Forecasting financial statements; Analyzing & valuing equity securities
Class 7	MIDTERM EXAM
Class 8	Interpreting Cost Behaviors and CVP analysis
Class 9	Relevant costs and benefits in decision making
Class 10	Product costing and activity based management
Class 11	Product pricing and other product management decisions
Class 12	Budgeting and profit planning
Class 13	Segments, transfer pricing and performance reporting
Class 14	Capital budget techniques and decisions
Class 15	FINAL EXAM