Faculty of Business
BUACC5933 Cost and Management Accounting
Assignment, Semester one 2014

1. General information

As per the course description, this assignment constitutes 30 per cent of the total assessment in this course and is due in week 10 of the semester.

2. Purpose

BUACC5933 covers a range of important cost and management accounting topics. The main purpose of this assignment is to provide students with the opportunity to extend their knowledge, skills, attitudes and values in connection with some of the topics covered during the course. Students are required to complete the assignment in groups of two and this is intended to foster the development of a capacity to work cooperatively with fellow students (as per the objectives for this course).

3. Formation of groups

Students are to complete the assignment in groups of two and do ***not*** have any entitlement to adopt some other arrangement (such as completing the assignment individually or in a group of three) without the permission of the lecturer in-charge of the course at the location where they are studying. Students who have difficulty arranging membership of a group or who encounter other difficulties (for example, a group member withdraws from the course) should consult their lecturer in-charge. Where there are an odd number of students in the class, the lecturer in-charge may grant permission for one group of three students to be formed.

4. Requirements

Each group is to submit essays on Topic 1 and Topic 2 as listed below. Each essay will carry a weighting of 15 marks out of the 30 marks available for this assessment task.

Topic 1: Ethics and budgeting

Budgeting is generally regarded as an essential technique for planning and controlling an organisation's activities. However, budgeting systems can also create incentives for unethical behaviour.

Using examples to illustrate your discussion, explain:

- How the use of budgets in planning and controlling an organisation's activities may create incentives for unethical behaviour; and,
- What strategies organisations can adopt to minimise the risk of their budgeting system leading to unethical behaviours.

Topic 2: Accounting for overhead

Modern manufacturing processes are typically characterised by large-scale automation, with machines replacing people. Consequently, manufacturing overhead has often become a much more significant component of total manufacturing costs and this presents a particular challenge for cost and management accountants. Competitive pressures make it essential that firms have accurate and up-to-date cost data, but overhead is an indirect cost and allocating it to individual products and product lines will always involve subjectivity and estimation.

Discuss the difficulties associated with allocating overhead costs in the contemporary manufacturing environment and identify strategies that firms can adopt to help make their overhead allocations more accurate and reliable.

5. Presentation

The assignment is to comply with the University's *General Guide for the Presentation of Academic Work*. Students are required to use the APA style of referencing. See comments below regarding word length. Each group is to submit a single copy of their assignment.

6. Assessment criteria

In assessing submitted assignments consideration will be given to:

- ***Overall neatness, completeness and quality of presentation.*** Graduate students are expected to achieve a satisfactory standard with respect to this criterion as a matter of course and for this reason, no credit will be granted for achieving it. However, assignments that fail to achieve the minimum standard in connection with this criterion *will be penalised*. The expected standard concerning this criterion is as specified by the University's *General Guide for the Presentation of Academic Work*.
- ***Timeliness of submission.*** Graduate students are expected to be able to meet reasonable deadlines for the submission of assessable work as a matter of course. For this reason, no credit will be given for submitting the assignment by the due date. However, assignments that are submitted late will be penalised at the rate of three marks out of 30 per day that the assignment is late.
- ***Demonstrated application of appropriate cost and management accounting knowledge, skills, values and attitudes.*** This criterion pertains to the overall quality of the content of responses to the assignment requirements. Specific factors to be taken into account include: accuracy, comprehensiveness, demonstrated understanding of the topics, and the location and effective use of relevant research materials.

Each essay is expected to be between 1,200 to 1,500 words (1,500 words being the maximum length). These guidelines exclude the cover sheet, abstract and list of references.

Students in a group will normally each be awarded the same mark for their assignment. This is based on the expectation that each student in the group will have contributed equally to the preparation of the assignment. Where this expectation has not been satisfied differential marks may be allocated. Selected students may be required to discuss their assignment with the person responsible for marking it. This discussion may be taken into account in marking an assignment where it provides evidence that a student has not made a fair contribution to the preparation of the assignment. This could, for example, be evidenced by a student being unable to explain the meaning of their assignment, being unable to explain how they contributed to the preparation of the assignment, or being unable to explain why certain information has been included.