

## 201 Management information

The aims of this module are to provide the knowledge and skills for students to prepare essential financial information for the management of a business. Informed managerial decision making is an essential factor in business success. Therefore, students will examine the processes and techniques used to establish the costs associated with the production of products and provision of services and how this information is used to determine prices.

Students will develop the skills and knowledge to also select appropriate budgeting approaches and methods and prepare budgets. They will also learn how to identify the key features of effective performance management systems, select appropriate performance measures and calculate differences between actual performance and standards or budgets.

### Intended module learning outcomes

On completion of this module, the student should be able to:

1. Establish the costs associated with the production of products, provisions of services, contracts and use them to determine prices.
2. Critically select appropriate budgeting approaches and methods and prepare budgets.
3. Identify and analyse key features of effective performance management systems, select appropriate performance measures and calculate differences between actual performance and standards or budgets.
4. Analyse and evaluate relevant data for use in management and financial decision making to support sustainable performance.

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## Indicative content

1. An understanding and application of the concept of cost and cost behaviour and to identify ethical matters in the preparation and presentation of costing and financial information required by management for decision making.
2. Calculating unit cost and profit from costing information by using various costing methods.
3. Calculating the sales price for products and services and also transfer pricing for internal customers.
4. Preparation of budgets and other forecasting tools to support management in planning and controlling and in performance measurement of managers and organisations.
5. Understanding what are the constituent elements of working capital and cash cycle.
6. Consideration given to the financial and non-financial performance measures used in organisations to meet objectives.
7. Appreciate variance analysis on comparison of budgets and actual results.
8. Calculation of the breakeven analysis and limiting factors for products and services and the allocation of resources.
9. Consideration of investment appraisal analysis and techniques for given projects and organisations.

## Required reading

ICAEW (2017) *Management information, study manual 2018*. 11th ed., London: ICAEW.

Drury, C. (2017) *Management and cost accounting*. 10th ed., Andover: Cengage Learning EMEA.

## Recommended reading

Collis, J., Holt A., & Hussey, R. (2012) *Business accounting: an introduction to financial and management accounting*. London: Palgrave.

Weetman, P. (2015) *Financial and management accounting: an introduction*. 7th ed., Harlow: Pearson Education Limited.

## Scheme of work

Once you have registered and paid for a module you will receive the scheme of work detailing the weekly schedule study plan.

## Assessment

The learning outcomes for this module will be assessed as follows:

1½ hour's multiple choice time-constrained closed-book test with one scenario-based question.

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