

BAP22 Management Accounting
Trimester 2, 2016
Group Assignment
Contribution to overall assessment 20%

This assignment has two parts:

- Part A: 37.5% (7.5 Marks) Technical or Practical
- Part B: 62.5 % (12.5 Marks) Report writing (1500 words)
- This is a group-assignment. Each group needs to have 3 to 4 members in it. Please organise yourselves into groups.
- Please make sure that names and ID numbers of all group members are stated on the cover sheet of your submission.
- As this is a group assignment, each member of your group is awarded the same mark.

Part 1

Natural pulp Ltd, a manufacturer of paper and paper board had a flood that destroyed the company's work in process and finished goods inventories on 1 July, 2014. All raw materials escaped damage because they were stored in a warehouse situated on the hill.

The following information is available.

Sales revenue, 1 June to 30 June 2014	\$ 420 000
Income before taxes, 1 June to 30 June 2014	70 000
Direct labour cost, 1 June to 30 June 2014	160 000
Direct material used, 1 June to 30 June 2014	80 000
Cost of goods available for sale, 1 June to 30 June 2014	360 000
Work in process inventory, 1 June 2014	35 000
Finished goods inventory, 1 June 2014	55 000
Gross profit margin	40% of sales

The management accountant of the company estimated that the manufacturing overhead is 40% of the company's total manufacturing costs.

REQUIRED: Prepare estimates of the following that were destroyed by the flood.

- a) The cost of Work in Process.
- b) The cost of finished goods inventories.

Part 2

“The value chain provides a useful framework for examining the areas where costs are incurred within a business. The value chain is a set of linked processes or activities that begins with acquiring resources and ends with providing goods and services that customers value” (Langfield-smith et al, 2015, p 44).

REQUIRED:

- 1) With reference to the above statement, describe what is meant by the value chain.
- 2) Explain how the value chain may be used to estimate costs.
- 3) Describe each segment of the value chain and explain why information about costs in the various segments of the value chain can be useful to managers.
- 4) Identify and explain the major purposes of value chain using examples from your selected annual report/ annual review of one of top 100 manufacturing companies listed on ASX.

The following matters should be given particular attention:

1. Your assignment must be submitted no later than the Friday ending week 10. Assessment tasks submitted after the due date, without prior approval/arrangement, will be penalised at

10% of the available marks per day. Requests for extension of time must be made with the Academic administration section and based on Special Consideration guidelines.

2. In your assignment use a 12-pt Times New Roman font, use 2 cm margins on all four sides of your page and 1.5-line spacing.
3. Evidence of extensive research beyond the prescribed text is required. Ensure these are referenced appropriately. Refer to the statement regarding plagiarism.
4. This assignment must be handed in for successful completion of the course and will count 20 marks towards the final mark.
5. Marks have been allocated to each specific section of your assignment.
6. The assignment is to be conducted in groups of three. Students do not have the option to extend or reduce the size of the group.
7. All assignments are to be uploaded on Moodle.
8. Refer to the marking guide (attached) for additional information and requirements.

ASSIGNMENT MARKING GUIDE – GA512/MA512 Management Accounting

Technical/Practical part	37.5%	Total points 7.5		
Assignment Structure, Points (Pts.) 1500-1750 words	Does Not Meet Expectations	Meets Expectations	Exceeds Expectations	Points
Abstract / Synopsis (20pts)	Poorly structured (0-9)	Well structured (10-14)	Clear and specifically structured (15-20)	
Introduction (20pts)	Unfocused introduction (0-9)	Good introduction (10-14)	Clear and specific introduction	

			(15-20)	
DESCRIBE (40pts)	Does not develop description cogently, uneven and ineffective overall organization (0-19)	Develops a unified and coherent description within paragraphs with generally adequate transitions; clear overall organization (20-29)	Description is exceptional, with logical paragraphs. (30-40)	
DISCUSS (50pts)	Does not discuss ideas cogently, uneven and ineffective overall organization (0-24)	Develops a unified and coherent discussion within paragraphs with generally adequate transitions. (25-34)	Develops discussion exceptionally well within paragraphs, connects them with effective transitions (35-50)	
COMMENT (60pts)	Does not analyse reports adequately, uneven and ineffective overall organization (0-29)	Analysis is generally unified and coherent within paragraphs with generally adequate transitions; clear overall organization relating most ideas together (30-44)	Analysis is exceptionally within logically constructed paragraphs that connect to make effective transitions. (45-60)	
Conclusion (20pts)	Does not provide a sufficient discussion of conclusions, implications, and consequences that reflects an integration of knowledge. (0-9)	Provides a sufficient discussion of conclusions, implications, and consequences that reflects an integration of knowledge. (10-14)	Provides a full discussion of conclusions, implications, and consequences that reflects an integration of knowledge. (15-20)	
Reference list (10pts)	Inadequate (0-4)	Adequate (5-7)	Appropriate (8-10)	
Language (20pts)	Uses words that are unclear, sentence structures inadequate for clarity, errors are seriously distracting (0-9)	Word forms are correct, sentence structure is effective. Presence of a few errors is not distracting. (10-14)	Develops concise standard English sentences, balances a variety of sentence structures effectively. (15-20)	
Spelling and Grammar (10pts)	Writing contains frequent spelling and grammar errors which interfere with comprehension. (0-4)	While there may be minor errors, the writing follows normal conventions of spelling and grammar throughout and has been carefully proofread. (5-7)	The writing is error-free in terms of spelling and grammar. (8-10)	
Total points possible				
250/20				
Mark out of 12.5				