



UK

SYLLABUS 2025-2026

Cost Control

MODULE SPECIFICATION

Module Code	2526_DFC_1_EN_020
Campus	Oxford
Department(s)	Law, Finance and Control
Level / Semester	Undergraduate Year 3 (U3); Equivalent to FHEQ level 6 Semester 06
Language of Instruction	English
Teaching Method	<input checked="" type="checkbox"/> In-person (face-to-face) <input type="checkbox"/> Distance learning (live online) <input type="checkbox"/> e-Learning (asynchronous) <input type="checkbox"/> Hybrid: _____
Pre-requisite(s)?	U1 module in accounting (or equivalent)
ECTS <i>Reminder: 1 ECTS = between 20 and 30hr- student workload</i>	4
Equivalent FHEQ credits	8
Study Hours	80 hours which comprise of 30 directed learning and 50 independent learning/assessment hours

MODULE DESCRIPTION

Module Aims	This module equips students with analytical tools to evaluate financial performance and control costs. Students apply forecasting models and management control techniques to support strategic decision-making. The focus is on aligning financial planning with broader business objectives in complex organisational environments.
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Teaching Arrangement	The module will be divided into 12 face-to-face sessions of 2.5 hours each. 5 tutorials in small groups will be conducted. The objective of the tutorials is to calculate and analyse different performance scenarios in small groups.
Learning Outcomes	By the end of this module, students should be able to: <ol style="list-style-type: none"> 1. Analyse financial statements (income statement, balance sheet) to assess a company's financial performance. 2. Evaluate financial forecasting methods and trends using statistical tools to support managerial decision-making. 3. Apply cost control techniques, including full cost method and break-even analysis, to optimise financial performance. 4. Integrate strategic analysis and management control tools to align financial planning with business strategy.
Competency Goals <i>(Knowledge, expertise and interpersonal skills)</i>	PGE_U_CG02 - Steer economic performance PGE_U_CG04 - Manage a profit responsibly
Alignment with Programme Learning Goals	PGE_U_CG02_LO01 - Monitor the company's financial performance and anticipate financial risks PGE_U_CG04_LO01 - Define and deploy profit centre strategy

SESSION TOPICS / MODULE SCHEDULE

(Please note, a session/sequence may be more than one scheduled class)

<p><u>Session 1: General Introduction</u></p> <p><i>Content:</i></p> <ul style="list-style-type: none"> • What is management control? <ul style="list-style-type: none"> ○ Understanding the environment (economic, technological and normative) ○ Strategic and operational management ○ Performance and value ○ Possible levers ○ Operational and organisational control <p><i>Assignments:</i></p> <ul style="list-style-type: none"> • Re-read session content so students can ask questions in subsequent session
<p><u>Session 2: Establish Forecasts in a Probabilistic Universe (Tutorial 1)</u></p> <p><i>Content:</i></p> <ul style="list-style-type: none"> • Exercise: establish sales and costs forecasts under probabilistic scenario assumptions • Trend forecasting methods • Determination of organisational bottlenecks • Investment choice under constraint of scenarios • Calculation of full estimated costs <p><i>Assignments:</i></p> <ul style="list-style-type: none"> • In small working groups of 4 students maximum: complete tutorial exercise for the next

Last reviewed: 21/07/2025

session

Session 3: Cost Management – Part 1 (Lecture 2)

Content:

- Full costs method (reminder of the principles)
 - Stock valuation
 - Direct and indirect costs
 - Calculation of costs and operational results
 - ABC method
 - Target costs

Assignments:

- Small application exercises carried out during the module to illustrate concepts
- Re-read session content so students can ask questions in subsequent session

Session 4: Full Cost Calculation (Tutorial 2)

Content:

- Exercise: assess the relevance of the tools use on the measure performance
- Full cost calculations using several methods and under scenario constraints

Assignments:

- In small working groups of 4 students maximum: complete tutorial exercise for the next session
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Session 5: Cost Management – Part 2 (Lecture 3)

Content:

- Partial costs (reminder of the principles)
 - Break even
 - Marginal cost
- Pre-established costs (reminder of the principles)

Assignments:

- Small application exercises carried out during the module to illustrate concepts
- Re-read session content so students can ask questions in subsequent session

Session 6: Partial Costs Calculation (Tutorial 3)

Content:

- Exercise: evaluate the influence of the environment on costs and organisational choices
- Calculations of breakeven point under scenario constraint
- Economy scale of learning effects
- Marginal cost estimation

Assignments:

- In small working groups of 4 students maximum: complete tutorial exercise for the next session

Session 7: Process and Budget Planning (Lecture 4)

Content:

- Budget definition
- Budget procedure

- Hierarchy and organisation of budgets
 - Operating budgets
 - Investment budgets
 - Support functions budgets
 - Cash flow forecasts
 - Provisional income statement and balance sheet

Assignments:

- Small application exercises carried out during the module to illustrate concepts
- Re-read session content so students can ask questions in subsequent session

Session 8: Budget Planning – Part 1 (Tutorial 4)

Content:

- Exercise: construction of a complete operational budget under probabilistic assumptions and organisational choices
 - Sales forecast (analysis of seasonal variability)
 - Operational budgets
 - Investment budgets

Assignments:

- In small working groups of 4 students maximum: complete tutorial exercises for the next session

Session 9: Budget Planning – Part 2 (Tutorial 4)

Content:

- Exercise: establish cash flow forecasts and other financial forecasts
 - Final cash flow: preparation of the provisional income statement
 - Preparation of the provisional balance sheet

Assignments:

- In small working groups of 4 students maximum: complete tutorial exercises for the next session

Session 10: Calculation and Analysis of Performance Variance (Lecture 5)

Content:

- Definition and hierarchy of deviations
- Margin variances on turnover
 - Price effect
 - Volume effect
 - Range effect
- Variances in production costs
 - Variances on direct and indirect costs
- Deviations from structural costs
 - Variances on operational results
- Interpretation of deviations and corrective actions

Assignments:

- Small application exercises carried out during the module to illustrate concepts
- Re-read session content so students can ask questions in subsequent session

Session 11: Calculation and Interpretation of Deviations (Tutorial 5)

Content:

- Exercise: calculate and analysis of variances on margin, production costs and structural analysis of the differences between forecast and actual

Assignments:

- In small working groups of 4 students maximum: complete tutorial exercises and return to lecturer

Session 12: General Conclusions and Perspectives

Content:

- General conclusion
- Presentation of final exam (with examples)
- Q&A session on technical parts of module and tutorials

KEY TEXTS

1. Bhimani, A., Datar, S.K., Horngren, C. and Rajan, M.V. (2024) *Management and cost accounting*. 8th edn. Pearson.

SUPPLEMENTARY TEXTS

1. Atrill, P. and McLaney, E. (2024) *Management accounting for decision makers*. 11th edn. Pearson.
2. Manita, R., Elommal, N., Baudier, P. and Hikkerova, L. (2020) 'The digital transformation of external audit and its impact on corporate governance', *Technological Forecasting and Social Change*, 150. doi:10.1016/j.techfore.2019.119751.

MODES OF ASSESSMENT

Continuous Assessment (40%)	Written exam	20%
	Group work (case study)	20%
Final Exam (60%)	Closed book written exam	

MODULE DESIGN TEAM

- Author: *Ekaterina Pirozhkova*
- Reviewer: *Paul Griffiths / Nodas Katsikas*
- External Reviewer: *Qurat-ul-ain Chohan*