

Course Title: Accounting for Managers

Course Code	: 17BA1T3	External Marks	: 60
Core / Elective	: Core	Internal Marks	: 40
Credits	: 3	Contact Periods	: 3
Year/Semester	: I year/I semester	Tutorial Periods	: 2

Course Objectives

The objectives of this course are:

1. To acquaint the students regarding various accounting concepts and its application in managerial decision making.
2. To enable the students understand the various financial and cost accounting principles and their applicability.
3. To introduce prospective managers of new ventures to prepare and analyse financial statements and various budgets.
4. To enable the students to analyze a company's financial statements and come to a reasoned conclusion about the financial situation of the company.
5. To develop the skill of preparing various reports as per the requirements of the various stakeholders.

Course Outcomes

Student shall be able to:

1. Make use of the concepts and principles of Accounting.
2. Interpret the financial statements and obtain the results from them.
3. Relate the financial statements with various techniques and use them for decision making.
4. Plan various types of budgets useful for various functional areas of business.

Unit 1- Introduction to Accounting: Introduction to accounting – Concept – Importance and scope – Generally accepted accounting principles; Objectives, Nature and scope of financial accounting. – Cost accounting – Management accounting - Single entry and double entry system of accounting.

Unit 2- Accounting Process: Preparation of financial statements – Income statement and balance sheet – Funds flow and cash flow Statements (Theory) – Inventory valuation and Depreciation.

Unit 3- Financial Analysis: Analysis and interpretation of financial statements from investor and company point of view- Horizontal analysis and Vertical analysis; Ratio analysis- Du-Pont chart.

Unit 4- Profit Planning: Concept of Profit planning - Cost-volume-profit analysis—Calculation of Breakeven point - Application of Marginal costing for cost control- Income determinants under marginal cost- Absorption cost Vs Marginal cost.

Unit 5- Budgetary Control: Concept of Budget and budgetary control- Steps in budgetary control-Fixed vs Flexible budgets; Different types of budgets- Master budget- Budget reports for management control- Zero based budgeting.

Case Study: Compulsory. Relevant cases have to be discussed in each unit.

Reference Books

1. Maheshwari S. N., Mahehwari S. K.: "Financial Accounting ", Vikas Publishing House Private Limited, New Delhi, 2009,
2. Varma K K: "Financial Accounting and Analysis", Excel Books, New Delhi,
3. Asish K. Bhattacharya: "Essentials of Financial Accounting", PHI Private Limited, New Delhi, 2009,
4. Kaustubh Arvind Sontakke: "Financial Accounting", Himalaya Publishing House, New Delhi, 2008.
5. Paresh Shah: "Basic Financial Accounting for Management", Oxford University Press, New Delhi, 2008.
6. Robert N Anthony, David F Hawkins, Kenneth A Merchant: "Accounting" Tata McGraw-Hill Publishing Limited, New Delhi, 2008.
7. Shankaranarayana H.V, Ramanath H.R, "Financial Accounting for Managers", Cengage Learning, New Delhi, 2011.
8. Stice&Stice: "Financial Accounting Reporting and Analysis", Cengage Learning, New Delhi, 2008.