

23 AN 102: ACCOUNTING FOR MANAGERS

Course Code	23 AN 102	Course Delivery Method	Classroom / Blended Mode
Credits	04	CIA Marks	30
No. of Lecture Hours / Week	05	Semester End Exam Marks	70
Total Number of Lecture Hours	75	Total Marks	100
Course Focus	Employability	Entrepreneurship	Skill Development.

COURSE OUTCOMES: By the end of the course, students will be able:

- CO-1 To explain fundamental accounting concepts along with the elements of financial statements and basic accounting vocabulary.
- CO-2 To explain and use the accounting equation in basis financial analysis and explain how the equation is related to financial statements with ratio analysis.
- CO-3 To understand the meaning and various costs along with the application of decisions in cost management.
- CO-4 To understand the meaning of budget – budgeting and budgeting control and explain the utility – concept and preparation of different types of budgets.
- CO-5 To acquaint with the knowledge on the capital budgeting techniques and their application in business organizations.

COURSE CONTENT

Unit-I: Introduction to Accounting: Objectives, Nature, and Scope; Generally Accepted Accounting Principles (GAAP); Financial Accounting, Cost Accounting, Management Accounting; Single entry and double entry systems of accounting; Accounting cycle, Journal, Ledger, Trial Balance, Final Accounts. (Closing stock and Depreciation Adjustments only) **(15Hours)**

Unit-II: Analysis of Financial Statements: Common size Analysis, Comparative Statements and Trend Analysis; Inter – firm comparison, Industry Analysis; **Ratio Analysis:** Types of Ratios- DuPont Analysis - Advantages and Limitations of Ratio Analysis. **(15Hours)**

Unit-III: Marginal costing and Breaking-even Analysis: Concept of Marginal Cost, Cost – Volume – Profit Analysis (CVP Analysis); Break-Even Analysis, Assumptions and Practical Applications of Break-Even Analysis, Decisions regarding Sales-mix, Make or Buy Decisions. **(15Hours)**

Unit-IV: Budgets and Budgetary Control: Meaning of Budget, Budget Control, Budget manual, Preparation, and monitoring procedures; Types of Budgets: Zero based Budget, Flexible budget, Sales Budget, Production Budget, Cash Budget, Capital Expenditure Budget, and Master budget. **(15Hours)**

Unit-V: Time Value & Capital Budgeting: Concept of Time Value of Money; Capital Budgeting Process, Nature, Scope, Significance; Techniques of Capital Budgeting: Traditional (ARR & Pay Back Period) and DCF Methods (NPV, IRR & Profitability Index); Risks in Capital Budgeting **(15Hours)**

PRACTICAL COMPONENT:

- Collecting Annual reports of the companies and analysing the financial statements using different techniques and presenting the same in the class.
- Analysing the companies' cash flow statements and presenting the same in the class.
- Identify the sustainability report of a company and study the contents.

REFERENCES:

1. **I.M.Pandey**, Management Accounting, 3rd revised edition, 1994 Vikas Publishing House.
2. **Dr. S.N Maheshwari**, Financial Accounting, CA. Sharad K. Maheshwari & Dr. Suneel K. Maheshwari, 4th edition 2018, Vikas Publishing House.
3. **Dr. N.P. Srinivasan** and Dr. M. Sakthivel Murugan - Accounting for Management Revised Edition 2010 - S. Chand
4. **Robert S. Kaplan** and Anthony A. Atkinson, Advanced Management Accounting 3rd edition, 1998 (PHI), New Delhi.
5. **Dr. M.S.V. Prasad G. Syamala Rao - Mohammed Jafrulla -K. Gowri Shankar Mrs. S. Vani** - Accounting for Managers, 1st edition 2016, Himalaya Publishing House.