

# 17MB105-ACCOUNTING FOR MANAGERS

## Course Objective

The objective of the course is to provide an understanding of practical aspects of accounting, managing assets, financial analysis, cost behavior and improve decision making skills.

## Course Outcomes:

On completion of this course, learners will be able to:

- Demonstrate knowledge of the business accounting cycle for the corporate form of business.
- Understand the framework for preparation and presentation of financial statements.
- Develop decision making skills in the application of Revenue and monetary Assets.
- Acquire practical knowledge on application of cash flows and Ratio Analysis. Prepare and interpret cost behavior in organization.
- Demonstrate knowledge on cost sheet preparation.

## UNIT - I

**Basic Accounting Concepts:** The nature and purpose of Accounting, Basic Accounting concepts: The Balance sheet, Basic Accounting concepts: Income statement.

## UNIT - II

**Revenue and Long lived Assets:** Revenue and Monetary Assets and their Analysis. Long – lived nonmonetary assets and their amortization.

## UNIT - III

**Financial statement Analysis:** Understanding the Financial Statement and their Analysis: overall Measures- profitability Ratios- Investment Utilization Ratios-Financial Condition Ratios- Dividend Policy-Growth measures-Making Comparisons.

## UNIT - IV

**The Behavior of costs:** Relation of costs to Volume-Profit. Additional Aspects of product Costing Systems: Job Order Costing and process Costing Systems-Measurement of Direct Costs- Allocation of Indirect Costs.

## UNIT - V

**Cost Accounting** - Elements of Cost - Types of Costs - Preparation of Cost Sheet.

## Skill Development:

*(These activities are only indicative, the Faculty member can innovate)*

1. Contact an NGO and find out their system of accounting.
2. Collect information with regard to the practical reasons for charging

3. Depreciation and the methods adopted for calculating the same.
4. Generate different types of financial and cost related reports using excel and tally.
5. Find out the accounting system adopted by a Sole Proprietor
6. Differences between Double Entry and Single Entry systems of Book-keeping.
7. Analyse the differences between Profit & Loss Account and Income & Expenditure Account/ Receipts & Payments Account.

**TEXTBOOK:**

1. Accounting Text and Cases by Robert Anthony, David Hawkins and Kenneth Merchant (13th Edition), The McGraw-Hill Companies

**REFERENCE BOOKS:**

1. Financial Accounting by Needles & Powers (11th Edition), South Western Cengage Learning.
2. Financial Accounting by Gary Porter & Curtis Norton (6th Edition), Cengage Learning.
3. Managerial Accounting by Garrison, Noreen & Brewer (11th Edition), Tata Mcgraw Hill.
4. Introduction of Management Accounting by Horngreen, Sundem, Stratton, Burgstahler and Schatzberg (14th Edition), Pearson.
5. Indian Accounting Standards (Ind AS) & IFRSs for Finance Executives by T.P Ghosh (2nd Edition), Taxmann Publications Pvt Ltd.
6. IFRS – A Briefing for Chief Executives, Audit Committees and Board of Directors issued by IASB.
7. Red Book on International Financial Reporting Standards issued by IASB.