

Managerial Accounting - Web course

COURSE OUTLINE

Accounting is the language of Business.

The knowledge of accounting is necessary for any successful manager irrespective of discipline.

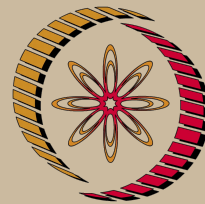
This helps one for planning, budgeting, cost control, decision making and performance evaluation besides personal investment decisions.

The course objectives are:

1. To introduce to fundamental concepts in financial, cost & management accounting
2. To develop analytical skills associated with the interpretation of accounting reports
3. To enable students in systematically applying cost & management accounting concepts in real life situations.
4. To develop judgmental skills associated with the use of accounting information in decision making.

COURSE DETAIL

Module	Topics	No.of Hours
Module 1: Fundamentals of Managerial Accounting	<ul style="list-style-type: none"> • Meaning and Significance. • Need to learn Accounting. • Financial, Cost and Management Accounting. • Recognizing Financial Transactions - Money Measurement Concept. • Single entry vs. Double Entry. • Uses of Accounting Information - Various Stakeholders. • Forms of Organization. 	1
Module 2: Financial Statements	<ul style="list-style-type: none"> • Financial Statements. • Balance Sheet and P & L Account. • Time reference - Periodicity. • Understanding Assets & Liabilities - Entity Concept. • Concept of Capital and Borrowings. • Basic Balance Sheet Structure. 	2



NP-TEL

NPTEL

<http://nptel.iitm.ac.in>

Management

Additional Reading:

Books:

1. M.A. Pocock and A. H. Taylor, Handbook of Financial Planning and Control, Gower, Westmead.
2. Meigs and Meigs, Financial Accounting, Mc Graw Hill.

Periodicals:

1. The Chartered Accountant; Journal of the Institute of Chartered Accountants of India.
2. The Management Accountant; Journal of the Institute of Cost and Works Accountants of India.

Coordinators:

Dr. Varadraj Bapat

Shailesh J. Mehta School of Management IIT Bombay

	<ul style="list-style-type: none"> • Contents of Annual Reports. • Income Statement - P & L Account. • Income vs. Expenditure - Matching Concept. • Revenue Recognition - Realization & Accrual Concept. • Basic Format of Income Statement. • Operating Profit, PBIT, PBT, PAT. • Outstanding Expense, Provision, Contingent Liability. 	
Module 3: Recording Financial Transactions	<ul style="list-style-type: none"> • Books of Accounts - Journal, Ledger & other books. • System of Accounting - Cash vs. Mercantile System. • Impact on Balance Sheet. • Cases for Recording Simple Transactions. • Preparation of Simple Final accounts. • Corporate Accounting - Issue of Shares, Issue and Redemption of Debentures. 	6
Module 4: Accounting Standards, GAAP, IFRS	<ul style="list-style-type: none"> • Principles of Accounting. • GAAP. • Accounting Standards, IAS, IFRS. • Convergence of GAAPs. 	1
Module 5: Depreciation and Inventory	<ul style="list-style-type: none"> • Doctrine of Conservatism. • Depreciation and other Provisions. • Goodwill and its Amortization. • Valuation and Accounting for Inventory. • Window Dressing. 	4
Module 6: Cash Flow	<ul style="list-style-type: none"> • Cash Flow Statement. • Fund Flow Statement. • Cases on preparation and Interpretation of Cash Flow Statement. 	4
Module 7: Interpretation and analysis of Accounts	<ul style="list-style-type: none"> • Ratio Analysis. • Vertical and Horizontal Analysis. • Interpretation and analysis of Accounts. 	2
Module 8: Introduction to Cost & Managerial	Definition of Cost, Period Cost, Expenses, variable and fixed costs, other classifications of cost.	1

Accounting		
Module 9: Cost Accumulation	Direct and indirect costs, predetermined overhead rate, under/over application of overheads.	2
Module 10: Product and Process Costing	Job costing , process costing , normal loss, abnormal loss, operation costing.	5
Module 11: Activity Based Costing	Activity Based Costing (ABC), Traditional costing methods-limitations, benefits of ABC.	1
Module 12: Cost Volume Profit analysis	CVP, Fixed costs, variable costs, semi variable costs, operating leverage, contribution margin, break even point.	2
Module 13: Relevant Costs in Decision making	Shut down/continue, make/buy, Processing of joint products, introducing a new product, effect of sunk costs.	3
Module 14: Budgeting	Budgeting, Concept and advantages, Types, Flexible Budgeting.	2
Module 15: Standard Costing and Variance Analysis	Standard Costs and Variances: Material , Labour, overhead and Sales variances.	4
	Total	40

References:

1. C.T. Horngren, Accounting for Management Control: An Introduction, Prentice Hall, New Delhi
2. J. H. Rossell, W.W. Frasure and D.H. Taylor, Managerial Accounting, 3rd ed., Merrill, Columbus.
3. Prasanna Chandra : Managers Guide to Finance and Accounting, Tata McGraw Hill.
4. Ashok Banerjee, Financial Accounting: A Managerial Emphasis, Excel Books.
5. R. Narayanswamy, Financial Accounting: A Managerial Perspective, PHI.
6. Ramchandran and Kakani, Financial Accounting for Management, Tata McGraw Hill.