PG BA S1-03 (DSC)

TWO YEAR MASTER'S DEGREE COURSE

(CBCS in Accordance with NEP 2020)

SEMESTER - I

ACCOUNTING FOR MANAGERS

MANAGEMENT

Maniram Dewan School of Management

KRISHNA KANTA HANDIQUI STATE OPEN UNIVERSITY

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DETAILED SYLLABUS

UNIT 1 : Introduction to Financial Accounting

Meaning of Accounting and Elements of Accounting, Book- keeping and Accounting- Difference, Accounting Process, Objectives of Accounting, Limitations of Accounting, Forms of business organisations, Choice of method of accounting – Cash and Accrual basis of accounting , and Computerized Accounting System

UNIT 2 : Accounting Concept, Principles and Policies

Components of Financial Statements, Qualitative characteristics of Financial Statements, Fundamental Accounting Concepts and Principles, Meaning of Accounting Principles, Features of Accounting Principles, Need/ Importance of Accounting Principles, Accounting Policies, GAAP, Accounting Standards Need for Accounting Standards, International Financial Reporting Standards

UNIT 3 : Double Entry Accounting

Transactions and Events, Accounting Equation, Meaning of Double Entry Accounting, Meaning of Debit and Credit ,Classification of Accounts under Traditional Approach, Classification of Accounts under Modern Approach , Comparison of Traditional Approach with Modern Approach and Accounting Trail/Process/Cycle

UNIT 4 : Ledger

Concept of Ledger, Meaning of Ledger, Need and Subdivision of Ledger, Format of a Ledger Account, Distinction between Journal and Ledger, Ledger Posting, Meaning of Posting and Procedure for Balancing of an Account

UNIT 5 Subsidiary Books

Purchases Book,Sales Book or Sales Day Book , Purchase Return Book or Return Outward Book, Sales Return Book or Return Inward Book, Bills Receivable Book, Bills Payable Book, Cash Book, Journal Proper and Bank Reconciliation Statement

UNIT 6 : Trial Balance

Concept of Trial Balance, Format of Preparing Trial Balance, Objectives of Preparing a Trial Balance, Methods of Preparing a Trial Balance, Adjusting Entries, Errors and their Rectification and Errors Disclosed and Not Disclosed by a Trial Balance and Steps to Locate the Errors.

UNIT 7 : Presentation of Final Accounts

Preparation of Final Accounts, Trading Account, Profit and Loss account , Preparation of profit and loss account, Distinction between Trading and Profit and Loss A/c, Format of Profit and Loss Accounts, Closing entries for Preparation of Profit and Loss Account, Balance Sheet

UNIT 8 : Management Accounting

Meaning of Management Accounting, The Role of Management Accounting , Management Accounting Framework, Functions of Management Accounting, Tools of Management Accounting, The Balanced Scorecard, Cost Management System, Merits and Demerits of Management Accounting and Distinction between Management Accounting and Financial Accounting

UNIT 9 : Ratio Analysis

Meaning of Ratio, Steps in Ratio Analysis, Classification of Ratios, Advantages of Ratio Analysis and Limitation of Ratio analysis

UNIT 10 :Financial Statement

Financial Statement, Profit And Loss Account, Meaning of Fund Flow Statement, Ascertainment of Flow of Funds, Technique of Preparing Funds Flow Statement, Schedule of Changes in Working Capital, Adjusted Profit and Loss account and Funds Flow Statement

UNIT 11: Cash Flow Statement **Page**

Meaning of Cash Flow Statement, Purpose of Cash Flow Statement, Preparation of Cash Flow Statement, Format of Cash Flow Statement (AS3: Revised Method),Cash Flow from Operating Activities, Cash Flow Statement under Direct Method, Different between Cash Flow Analysis and Fund Flow Analysis and Uses of Cash Flow Statement

UNIT 12 : Cost **Page**

Meaning of Cost, Objective of Costing, Methods of Costing, Technique of Costing, classification of Cost, Elements of Cost and Statement of Cost Sheet

UNIT 13 : Marginal Costing and Break-Even Analysis **Page**

Concept of Marginal Costing, Features of Marginal Costing, Characteristics of Marginal costing, Application of Marginal Costing, Advantages and Limitations of Marginal Costing, Absorption Costing, Difference between Absorption Costing & Marginal Costing, Cost Volume Profit (CVP) Analysis, Break Even Analysis, Profit Volume Ratio, Margin of Safety, Angle of Indices and Target Profit

UNIT 14 : Budgetary Control **Page**

Meaning of a Budget, Budgetary control, Objectives of Budgetary control, Essential features of Budgetary control, Steps in Budgetary control, Types of Budgets, Merits of Budgetary control and Limitations of Budget Control

UNIT 15 : Standard Costing **Page**

Definition & Meaning of Standard Costing, Difference between Standard cost and Budgetary control, Establishment of Standards, Advantages and Limitations of Standard Costing, Standard Hour & Standard Cost Card, Variance analysis, Classification of variance analysis: Material cost variance, Labor Cost variance and Overhead Cost variance

COURSE INTRODUCTION

This course is designed to provide a basic understanding of financial accounting, including introductory accounting theory, concepts, principles and procedures. Financial accounting gathers and summarizes financial data to prepare financial reports such as balance sheet and income statement for the firm's management, investors, lenders, suppliers etc. After completing this block, which consists of 15 units, you will be able to get a fair idea on the different concepts in financial accounting.

The first unit introduces us to the Introduction to Financial Accounting, Meaning of Accounting and Elements of Accounting, Book-keeping and Accounting- Difference, Accounting Process

The second unit gives us a broad overview of the Accounting Concept, Principles and Policies, Components of Financial Statements, Qualitative characteristics of Financial Statements

The third unit gives us an idea on Double Entry Accounting, Transactions and Events, Accounting Equation, Meaning of Double Entry Accounting.

The fourth unit will help us in understanding the concept of Ledger, Meaning of Ledger, Need and Subdivision of Ledger, Format of a Ledger Account, Distinction between Journal and Ledger, Ledger Posting, Meaning of Posting and Procedure for Balancing of an Account

The fifth unit gives us a broad overview of Subsidiary Books.

The sixth unit is about Trial balance, Objectives of Preparing a Trial Balance, Methods of Preparing a Trial Balance, Adjusting Entries, Errors and their Rectification and Errors Disclosed and Not Disclosed by a Trial Balance and Steps to Locate the Errors.

The seventh unit highlights the Preparation of Final Accounts, Trading Account, Profit and Loss account and Balance Sheet

The eighth unit help us in understanding the various aspects of Meaning of Management Accounting, role of Management Accounting, Management Accounting Framework, Functions of Management Accounting, Tools of Management Accounting, Cost Management System.

The ninth unit is about meaning of Ratio, Steps in Ratio Analysis, Classification of Ratios, Advantages of Ratio Analysis and Limitation of Ratio analysis

The tenth unit highlights on the concept of Financial Statement, Profit and Loss Account, Meaning of Fund Flow Statement, Ascertainment of Flow of Funds, Technique of Preparing Funds Flow Statement, Schedule of Changes in Working Capital, Adjusted Profit and Loss account and Funds Flow Statement.

The eleventh unit is about Cash Flow Statement, its meaning of Cash Flow Statement, Purpose of Cash Flow Statement, Preparation of Cash Flow Statement, Format of Cash Flow Statement (AS3: Revised Method),Cash Flow from Operating Activities, Cash Flow Statement under Direct Method ,Different between Cash Flow Analysis and Fund Flow Analysis and Uses of Cash Flow Statement

The twelfth unit is about meaning of Cost, Objective of Costing, Methods of Costing, Technique of Costing, classification of Cost, Elements of Cost and Statement of Cost Sheet

The thirteenth unit narrates the Marginal Costing and Break-Even Analysis, features of Marginal Costing, Characteristics of Marginal costing, Application of Marginal Costing, Advantages and Limitations of Marginal Costing, Absorption Costing, Difference between Absorption Costing & Marginal Costing, Cost Volume Profit (CVP) Analysis,Break Even Analysis,Profit Volume Ratio, Margin of Safety, Angle of Indices and Target Profit

The fourteenth unit tells us about the Budgetary Control. Meaning of a budget, budgetary control, objectives of Budgetary control, essential features of Budgetary control, Steps in Budgetary control, Types of Budgets, Merits of Budgetary control and Limitations of Budget Control

The fifteenth and the last unit gives us an idea on Standard Costing, Definition & Meaning of Standard Costing, Difference between Standard cost and Budgetary control, Establishment of Standards, Advantages and Limitations of Standard Costing, Standard Hour & Standard Cost Card, Variance analysis, Classification of variance analysis: Material cost variance, Labor Cost variance and Overhead Cost variance.

Each unit of these blocks includes some along-side boxes to help you know some of the difficult, unseen terms. Some “EXERCISES” have been included to help you apply your own thoughts. You may find some boxes marked with: “LET US KNOW”. These boxes will provide you with some additional interesting and relevant information. Again, you will get “CHECK YOUR PROGRESS” questions. These have been designed to self-check your progress of study. It will be helpful for you if you solve the problems put in these boxes immediately after you go through the sections of the units and then match your answers with “ANSWERS TO CHECK YOUR PROGRESS” given at the end of each unit. you in making your learning more active and efficient. And, at the end of each section, you will get “CHECK YOUR PROGRESS” questions. These have been designed to self-check your progress of study. It will be better if you solve the problems put in these boxes immediately after you go through the sections of the units and then match your answers with “ANSWERS TO CHECK YOUR PROGRESS” given at the end of each unit.