

## ACCOUNTING FOR MANAGERS

Subject Code	: 16MBA13	IA Marks	: 20
No. of Lecture Hours / Week	: 03	Exam Hours	: 03
Number of Lecture Hours	: 56	Exam Marks	: 80
Practical Component	: 02 Hours / Week		

### Objectives:

- To explain fundamental accounting concepts and conventions.
- To explain and use the accounting equation.
- To prepare basic journal entries for business transactions and present the data in an accurate manner
- To present financial statements in vertical and horizontal format.
- To analyze a company's financial statements using various ratios for decision making.
- To understand emerging issues in accounting and taxation.

### Course Outcomes:

At the end of the course students are able to:

- Acquire the knowledge about the concepts and fundamental principles of accounting.
- Demonstrate theoretical knowledge and its application in real time accounting.
- Capable of preparing financial statement of sole trading concerns and companies.
- Independently undertake financial statement analysis and take decisions.
- Comprehend emerging trends in accounting and taxation.

**Unit 1:**

**(6 Hours)**

**Introduction to Accounting:** Need and Types of Accounting, Users of Accounting, concepts and conventions of Accounting, Accounting Equation (problems on accounting equation).

**Unit 2:**

**(10 Hours)**

**Preparation of books of Accounts:** Journals, three column cash book, ledgers and trial balance. Depreciation- Straight line and Written down Value Methods.

**Unit 3:**

**(14 Hours)**

**Preparation of Financial Statements:** Preparation of final accounts of sole traders. Preparation of final accounts of companies, vertical form of financial statements. (Basic problems Final Accounts)

**Unit 4:**

**(12 Hours)**

**Analysis of Financial Statements:** Ratio Analysis, Preparation of financial statements using ratios, Preparation of Cash flow Statement (only indirect method).

**Unit 5:**

**(8 Hours)**

**Emerging issues in Accounting:** Human Resource Accounting, Forensic Accounting, Sustainability Reporting -Accounting Standards and IFRS: Nature and significance

**Unit 6:**

**(6 Hours)**

**Fundamentals of Taxation:** Heads of Income, Deductions u/s 80C, Income Tax Rates and Returns for Individuals only (only theory)

**Practical Components:**

- Collecting Annual reports of the companies and analyzing the financial statements using different techniques and presenting the same in the class.
- Analyzing the companies' cash flow statements and presenting the same in the class.

- Exposing the students to usage of accounting software's (Preferably Tally)
- Filling up of ITR forms
- Identify the sustainability report of a company and study the contents.

**Note 1: Related case studies to be discussed.**


**Note 2: 25 percent theory and 75 percent problems**

### **RECOMMENDED BOOKS:**

- Financial Accounting: A Managerial Perspective, Narayanaswamy R, 5/e, PHI, 2014
- A Text book of Accounting For Management, Maheswari S. N, Maheswari Sharad K. Maheswari, 2/e, Vikas Publishing house (P) Ltd.
- Financial Accounting, Tulsian P. C, 1/e, Pearson Education.
- Accounting for managers, Madegowda J, Himalaya Publishing House.
- Advanced Accountancy, Gupta R. L & Radhaswamy M, Sultan Chand Publications.
- Financial Accounting, Jain S. P and Narang K L, Kalyani Publishers.
- Business Taxation, Akhileshwar Pathak and Savan Godiawala, 2/e, McGraw Hill Education (India) Pvt. Ltd, 2013.

### **REFERENCE BOOKS:**

- Financial Accounting for Management: An Analytical Perspective, Ambrish Gupta, 4/e, Pearson Education.
- Introduction to Financial Statement Analysis, Ashish K Bhattacharya, Elsevier India.
- Financial Accounting – Raman B. S, Vol I & Vol II, 1/e, United Publishers, 2011.
- Financial Accounting (IFRS update), Gary A. Porter & Curtis L. Norton, 6/e, Cengage Learning.

  
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