

VEER NARMAD SOUTH GUJARAT UNIVERSITY

DSCC-2 – Accounting for Managers

First Year BBA (Semester – 1)

With Effect from AY 2023-24

Course	Discipline Specific Core Course / Major
Course Title	<u>Accounting for Managers</u>
Credit	4
Teaching per Week	4 Hours
Review / Revision	June, 2023
Minimum weeks / Semester	15 (Lectures, Numerical Examples, Guest Lectures, Case Study, Presentations, Group Assignments)
Medium of Instruction	English
Purpose of Course	<ul style="list-style-type: none"> ● To acquaint students with the concepts of Double entry book keeping system and Financial Accounting. ● To acquaint Students with concepts of Management and Cost Accounting useful for Managerial Decision Making.
Course Objective	<ul style="list-style-type: none"> ● To provide conceptual knowledge about Book keeping and Financial Accounting. ● To acquaint the students with the concept of Management Accountancy ● To develop the ability to evaluate and use accounting data to aid in decision making for management as a whole.
Course Outcome	<p>The students will be able to</p> <ul style="list-style-type: none"> ● Understand Financial Accounting and Develop skill for book keeping activity ● Evaluate techniques in preparing the final accounts of firms and companies for the users of accounting information. ● Prepare cost sheet and Stock Register ● Analyze the complexities associated with financial statements in common language to make financial decisions and Interpret the financial statements for Managerial uses. ● Prepare the budgets for financial planning. ● Evaluate cost information for Profit and Break Even Planning.
COURSE CONTENT	
Unit 1: Introduction of Financial, Cost and Management Accounting	(10%)
Definition of Financial, Cost and Management Accounting, Advantages and Limitations of Financial, Cost and Management Accounting, Differences between Management Accounting with financial and cost accounting.	
Unit 2: Concepts of Financial and Cost Accounting	(35%)
Accounting cycle, Double Entry Book Keeping System: Preparation of Journal and Subsidiary Books (Purchase Book, Sales Book, Purchase Return Book, Sales Return Book & Three Columnar Cash Book) (Numeric), Ledger (Brief concept), Trial Balance (Brief concept), Financial Statements of Company as per company act 2013. (only format), Stock Register (Numeric based on First In First Out Method, Last In First Out Method, Weighted Average Method)	
Unit 3: Analysis of Financial Statements	(20%)

Techniques of Financial Statement Analysis, (Calculation of ratios from the given financial statement as per Company Act 2013) **Liquidity and solvency ratio:** current ratio, liquid ratio, proprietary ratio, debt-equity ratio **Profitability ratios:** gross profit ratio, net profit ratio, operating profit ratio, return on capital employed ratio, return on equity shareholder's fund, **Efficiency ratios:** stock turnover ratio, debtors ratio, creditors ratio, operating ratio.

Unit 4: Budget and Budgetary Control (20%)

Meaning of Budget and Budgetary Control, Preparation of Cash Budget (Numeric), Zero Base Budgeting.

Unit 5: Cost Volume Profit Analysis (15%)

Meaning and Significance of Marginal Costing, Break Even Analysis, Numeric based on Contribution, Profit Volume Ratio, Break Even Point, Margin of Safety.

Suggested Readings:

1. T. S. Grewal, Introduction of Accounting, Sultan Chand & Co.
2. Rupam Gupta, Principles of Accounting, Sultan Chang & Co.
3. Hanif and Mukharjee, Modern Accounting, Tata McGraw Hill
4. S.N.Maheshwari, Introduction to Accountancy, Vikas Publishing House Pvt.Ltd.
5. M. N. Arora, Cost and Management Accounting, Himalaya Publication House.
6. Ravi M. Kishore, Cost and Management Accounting, Taxmann Publication.
7. R. S. N. Pillai, Management Accounting, Sultan & Chand.
8. N. Vinayakan and G. B. Gupta, Management Accounting.
9. S. N. MaheshwarGrewal, Cost and Management Accounting.
10. Khan and Jain, Management Accounting.