

**ST. JOSEPH'S COLLEGE OF COMMERCE
(AUTONOMOUS)**



LESSON PLAN

2017-2018 EVEN SEMESTER

B.B.M

M1 15 MC 601

Management Accounting

PREPARED BY:

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RENCY ALEX

COURSE / SUBJECT OBJECTIVES:

- To enable the students to understand the importance of analysis and interpretation of Financial Statements.
- To equip the students with the skills to prepare various Types of analytical statements and to help students to prepare management reports for decision making.

PREPARATION OF LESSON PLAN FRAMEWORK

(Module wise)

| UNIT/ SESSION/ HOURS (TIME REQUIRED) | TOPICS FOR STUDENT PREPARATION (INPUT) | PROCEDURE (PROCESS) | LEARNING OUTCOME (OUTPUT) | ASSESSMENT |
|--|---|--|--|---------------------------------|
| Module – 1 : Introduction 5 hours | Meaning – Nature and Scope of Management Accounting– Relationship between Financial Accounting – Cost Accounting and Management Accounting – Role of Management Accountant in the Present Scenario. | <ul style="list-style-type: none"> • Lecture with the help of power Point presentation • Discussion | To understand the importance of: <ul style="list-style-type: none"> • Management Accounting and its functions. • Need for management accounting in the present scenario • The difference between financial accounting cost accounting and management accounting | Evaluation through MCQs |
| Module-2: Financial Statement Analysis 12 Hours | Meaning and concept of Financial Analysis – Types of Financial Analysis – Methods of Financial Analysis – Problems | <ul style="list-style-type: none"> • Lecture • Case Study • Illustrations • Use of excel | To understand the significance of financial statement and methods of analysis and interpretation of such statements through comparative | Evaluation through assignments. |

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| | on Comparative statements– Common Size statements–Trend Analysis. | | common size and trend analysis | |
| Module-3: Ratio Analysis 12 Hours | Meaning – Utility and limitations – Classification of Ratios–Calculation and interpretation of Solvency – Turnover– Profitability & Liquidity ratios. | <ul style="list-style-type: none"> • Lecture • Case Study • Discussion • Illustrations | The student should be able to understand and be able to calculate the various ratios through financial statements. They should also be able to interpret the ratio and its impact on the short and long term position of the firm. | Evaluation through assignments and tests |
| Module-4: Funds Flow Analysis 12 Hours | Meaning – Concept of Fund and Funds Flow Statement – Uses and significance of fund flow Statement– Procedure for preparing FFS–Schedule of changes in working capital – Statement of sources and application of funds. | <ul style="list-style-type: none"> • Lecture • Case Study • Discussion • Illustrations | To understand the concept of fund flow statement and to be able to identify the sources and application of funds. To be able to prepare a fund flow statement and interpret the same. | Evaluation through MCQs, and tests |
| Module-5: Cash Flow Analysis 12 Hours | Meaning And Concept – Comparison Between Fund Flow and Cash Flow Statements– Uses and significance of CFS–Preparation of Cash Flow Statement as per Accounting Standards. | <ul style="list-style-type: none"> • Lecture • Discussion • Case study • Illustrations | To understand the major reasons for the change in a company's cash and cash equivalents reported on the balance sheets at the beginning and the end of the accounting period. To be able to identify the operating ,investing and financing activities of the firm | Evaluation through assignments and tests |

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| Module-6: Management reporting 7 Hours | Methods of reporting- Requirements of a good report- Principles of a good reporting system- kinds of reports – Drafting of reports under different situations | <ul style="list-style-type: none">• Lecture• Discussion• Illustrations | The importance and need for reports in today's scenario and preparation of management reports keeping the principles of a sound reporting system in mind | Evaluation through tests And assignments. |
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UNIT WISE BREAK UP

LECTURE HOURS: 60

Objective

- To enable the students to understand the importance of analysis and interpretation of Financial Statements,
- To equip the students with the skills to prepare various types of analytical statements and to help students to prepare management reports for decision making.

| Sl. No | UNIT & OBJECTIVES | No. of Lecture Hours | Methodology/ Instructional techniques | Evaluation/ learning confirmation |
|-----------------|--|----------------------|--|--------------------------------------|
| MODULE 1 | INTRODUCTION | 5 | | |
| 1. | Meaning – Nature and Scope of Management Accounting | 2 | Lecture and Discussion | - |
| 2. | –Relationship between Financial Accounting – Cost Accounting and Management Accounting | 2 | Lecture and Illustrations | Question and Answer |
| 3. | – Role of Management Accountant in the Present Scenario. | 1 | Lecture | Question and Answer |
| MODULE 2 | FINANCIAL STATEMENT ANALYSIS | 12 | | |
| 1. | Meaning and concept of Financial Analysis – Types of Financial Analysis | 2 | Lecture and Illustrations | Question and Answer |
| 2. | Comparative statements – Income statement and Balance sheet | 4 | Illustrations and Work sheet | Question and Answer |
| 3. | Common size statements – Income statement and Balance sheet | 4 | Illustrations and Work sheet | Question and Answer |

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| 4. | Trend analysis – Income statement and Balance sheet | 2 | Illustrations and Work sheet | |
| MODULE 3 | RATIO ANALYSIS | 12 | | |
| 1. | Meaning – Utility and limitations —Calculation and interpretation of Solvency – Turnover– Profitability & Liquidity ratios. | 2 | Lecture | Question and Answer |
| 2. | Classification of Ratios | 2 | Lecture and Problems | Question and Answer |
| 3. | Calculation and interpretation of solvency ratios | 2 | Lecture and Problems | Question and Answer |
| 4. | Calculation and interpretation of turnover ratios | 2 | Lecture and Problems | Question and Answer |
| 5. | Calculation and interpretation of profitability ratios | 2 | Lecture and Problems | Question and Answer |
| 6. | Calculation and interpretation of liquidity ratios | 2 | Lecture and Problems | Question and Answer |
| MODULE 4 | FUNDS FLOW ANALYSIS | 12 | | |
| 1. | Meaning – Concept of Fund and Funds Flow Statement – Uses and significance of fund flow Statement– Procedure for preparing FFS— | 2 | Lecture | Question and Answer |
| 2. | Schedule of changes in working capital | 2 | Lecture and Problems | Question and Answer |
| 3. | Calculation of funds from operation and funds lost in operation | 2 | Lecture and Problems | Question and Answer |
| 4. | Statement of sources and application of funds. | 6 | Lecture and Problems/case study | Question and Answer |
| MODULE 5 | CASH FLOW ANALYSIS | 12 | | |

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|-----------------|--|----------|---------------------------------|---------------------|
| 1. | Meaning And Concept – Comparison Between Fund Flow and Cash Flow Statements–Uses and significance of CFS | 2 | Lecture | Question and Answer |
| 2. | Calculation of cash from operating investing and financing activities | 2 | Lecture and problems | Question and Answer |
| 3. | Preparation of Cash Flow Statement as per Accounting Standards. | 8 | Lecture and Problems/case study | Question and Answer |
| MODULE 6 | MANAGEMENT REPORTING | 7 | | |
| 1. | Meaning-Methods of reporting-Requirements of a good report-Principles of a good reporting system- | 2 | Lecture and Illustrations | Question and Answer |
| 2. | Kinds of reports | 1 | Lecture and case study problems | Question and Answer |
| 3. | Drafting of reports under different situations | 4 | Illustrations | Test |

BOOKS FOR REFERENCE:

Books for Reference:

- ❖ *M. N. Arora: Cost and Management Accounting.*
- ❖ *Dr . S. N. Maheswari: ManagementAccounting.*
- ❖ *I. M. Pandey: ManagementAccounting.*
- ❖ *J. Made Gowda: ManagementAccounting.*
- ❖ *Jain & Narang: Cost and ManagementAccounting.*
- ❖ *M. A. Sahab: ManagementAccounting.*
- ❖ *Prabhakara Rao: ManagementAccounting.*
- ❖ *R. S. N. Pillai & Bagavathi: ManagementAccounting.*
- ❖ *Sharma & Shashi Gupta: ManagementAccounting.*
- ❖ *Vinayakam: Management Accounting Tools andTechniques*