

Veer Narmad South Gujarat University

Management Accounting-I

S.Y. B.B.A., Semester III

Effective from June 2012

OBJECTIVES

- To acquaint the students with the concept of management accountancy
- To develop in them the ability to evaluate and use accounting data as aid to decision making for management as a whole.

1 INTRODUCTION OF MANAGEMENT AND COST ACCOUNTING 20%

- Conceptual and Meaning of Management Accounting (MA) and Cost Accounting (CA).
- Advantages and Limitations of MA and CA.
- Difference between management accounting with financial accounting & cost accounting, advantages & limitations of management accounting, role of management accounting.

2 ANALYSIS AND INTERPRETATION OF FINANCIAL STATEMENT 20%

- Limitation of Financial Statements
- Techniques of financial statement & analysis: Comparative financial statement, Common size statement & Trend percentage, Ratio Analysis, Fund flow Statement Analysis

3 RATIO ANALYSIS 35%

- Liquidity & Solvency ratio : Current ratio, Liquid ratio, Acid Test Ratio, Proprietary ratio, Debt-Equity ratio, Capital-gearing ratio, Fixed assets to proprietary ratio, Long term funds to fixed asset ratio
- Profitability ratio : Gross profit ratio, Net profit ratio, return on capital employed ratio, Return on shareholder's fund
- Efficiency ratio : Stock turnover ratio, Debtors ratio, Creditors ratio, Operating ratio

4 FUND FLOW ANALYSIS 25%

- Preparation of Statement showing changes in working capital management.
- Preparation of Fund Flow Statement (Including additional information),
- Adjusted Profit and Loss Account

Reference Book

1. Cost and Management Accounting – M. N. Arora, Himalaya Pub. House
2. Cost & Management Accounting – Ravi M. Kishore, Taxmann
3. Management Accounting – R.S.N. Pillai, Bagavathi, S.Chand
4. Management Accounting – N. Vinayakan & G. B Gupta
5. Cost and Management Accounting – S. N. Maheshwar Grewal
6. Management Accounting – Hingorani & Ramnathan
7. Management Accounting – Khan & Jain