

ACT 541: Managerial Accounting

Financial decisions impact virtually every area of the business today. The product 'Management Accounting' comprises of, an in-depth coverage of two crucial areas of every business i.e., Management of Current Assets & Management of Working Capital. It presents the principles and techniques of managing each element of current assets and their financing. Basic theories & important formulae have also been discussed in each course. Theory can be best understood by its application, each course in this product exhibits step-by-step approach in solving problems by 'do and learn' policy. Thus the product explores the theory with relevance to the real-world business problems through analytical approach.

Course Contents:

- Introduction to financial accounting; Cost terms; Concepts and classification; Responsibility accounting and cost allocation concepts
- Responsibility accounting centers and performance reports; Cost flows and accumulation: The basic cost flow model; Cost accumulation
- Merchandising; Manufacturing and Services organization; Costing systems: Job order-costing systems; Process costing system; Hybrid product costing system; Cost management systems; Cost behavior and estimation
- Cost behavior patterns; Cost estimation methods and Account analysis; Cost – volume – profit analysis
- The breakeven point; CVP analysis; CVP with multiple products; Cost structure and leverage analysis; Standard costing systems
- Standard costs and control; Setting cost standards; Overhead application in a standard costing system; Differential cost analysis: Differential costs versus variable costs; Differential costs versus total costs; Cost analysis for pricing; Variable costing: Variable costing versus full absorption costing; Appropriateness of variable costing & full absorption costing methods; Flexible budgeting; Budgeting & monitoring

Text Books:

- Charles T. Hongren: Introduction to Managerial Accounting; Prentice Hall, International
- Ronald W. Hilton: Managerial Accounting; McGraw Hill
- Garrison: Managerial Accounting, McGraw Hill
- Charles Brandom: Managerial Accounting: Strategy & Control, McGraw Hill