

## ACCOUNTING AND FINANCIAL MANAGEMENT

**Credits: 3**

**Semester: IV**

**SubjectCode : DS23401**

**No. of lecture hours: 45**

### **Objectives:**

- To equip the students with knowledge of accounting process and preparation of final accounts.
- To acquaint the students with various techniques of understanding financial statements.

**Outcome:** Students will be able

**CO1:** To describe the need for and importance of accounting and infer the various principles of accounting

**CO2:** To Explain about Preparation of financial statements

**CO3:** To Analyze the relationship between cost, volume, and profit

**CO4:** To interpret the various sources of finance and their impact

**CO5:** To Create budgets for key factors of organization

### **UNIT-I**

#### **Introduction**

**9 Hrs**

1. Principles of Double entry book keeping, accounting equation  
2
2. Accounting concepts and conventions  
1
3. Importance and scope of financial accounting  
2
4. Journal, ledger and trial balance (Including simple problems)  
4

### **UNIT-II**

#### **Cash Book & Final Accounts**

**9Hrs**

1. Cash book  
3
2. Preparation of final accounts without adjustment  
2
3. Preparation of final accounts with adjustments for reporting the income and financial position  
4

### **UNIT-III**

#### **Differential Cost and CVP Analysis**

**9Hrs**

1. Differential Cost – meaning – characteristics of differential costs – differential costing Vs marginal costing

2. Marginal Cost Contribution – key factor – profit planning – CVP analysis – break even analysis – break even chart – advantages and limitations of marginal cost – applications of marginal costing technique

4

3. Decisions involving alternative choices (including problems)

4

#### **UNIT-IV**

##### **Capital Budgeting**

**9Hrs**

1. Capital Budgeting process – analysis of capital budgeting decisions – nature of investment decisions
2. Investment Evaluation criteria – Net Present Value – profitability index – internal rate of return – pay back – accounting rate of

return

7

#### **UNIT-V Budgeting and Budgetary control**

**9Hrs**

1. Meaning of budget, budgeting and budgetary control
2. Types of budget and key factor
3. Cash budget
4. Flexible budget

2