

**DEPARTMENT OF ACCOUNTING
COLLEGE OF BUSINESS ADMINISTRATION- AL KHARJ,
AL-KHARJ UNIVERISTY**

Course Code & Title: Acct -104, Principles of Managerial Accounting

Year : 2 **Semester** : IV

Contact Hours : 3/0/1 L/ T/P

Credits : 3

Rationale:

This course aims at helping students understand managerial accounting concepts, principles, techniques, and tools. In addition, it helps the student to learn how to use these techniques and tools efficiently. The course focuses on the most recent environmental issues through identifying trends in managerial accounting. It represents an introduction to managerial accounting fundamentals, to understand the concepts and models of using accounting information to help management in planning, control, performance evaluation, and decision making.

Learning Outcomes:

- Understands the Concepts of Managerial Accounting and its Principles
- Identify & Discuss the techniques and tools of Managerial Accounting
- Understands about the various tools
- Demonstrates the calculation of various ratios for planning and control purpose
- Understands the concepts of Cost Volume Profit Analysis

Pre-requisites for this course: ACCT-103

Course Outline:

1. **Fundamental of Managerial Accounting** – Meaning, Definition and objectives of Managerial Accounting. Distinction between Financial and Managerial Accounting. Distinction between Managerial and Cost Accounting.
2. **Analysis and Interpretation of Financial Statements-I** – Analysis of Financial Statements, Form of Income Statement & Balance Sheet and persons interested in Financial Statements; Comparative Financial Statements, Common Size Statement.
3. **Ratio Analysis-** Meaning of ratio, importance of ratio analysis, classification of ratios and calculation of various ratios, Du Pont Analysis.
4. **Cost Volume Profit Analysis-I** Cost Drivers, Variable & Fixed Cost Behaviour, Difficulties in classifying Costs.
5. **Cost Volume Profit Analysis-II** Cost Volume Profit Analysis, Break Even Point, Margin of Safety.

Required Text:

Introduction to Management Accounting, Fourteenth Edition, (2008),
Prentice Hall, by Horngren, Sundem, Stratton, Burgstahler, Schatzberg

Suggested Readings:

1. Management Accounting(2000) - R.S.N. Pillai and Bagavathi, S. Chand & Company Ltd.
2. Management Accounting- Garrison, Noreen, Brewer and Chesely, Willy Canadian Edition
3. Management Accounting – Khan and Jain, Tata McGraw-Hill.
