Bharati College

**(University of Delhi)**

Janak Puri, Delhi- 100058

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Lesson Plan (DSE, Semester VI, Jan to May 2023)

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| **Name of Teacher** | Ms. Sunita | | **Department** | | Commerce |
| **Course** | B.COM (P) | | **Semester** | | VI |
| **Paper** | BCH 5.3(a): MANAGEMENT ACCOUNTING | | **Academic Year** | | 2022-23 |
| **Learning Objectives** | | | | | |
| Enable students to acquire knowledge of concepts, methods and techniques of management accounting for the purpose of managerial planning, control and decision making. | | | | | |
| **Learning Outcomes** | | | | | |
| 1: understand thoroughly the conceptual framework of Management Accounting; identification of differences between different forms of accounting––Financial, Cost and Managerial; distinction between cost control and cost reduction.  2: understand the concept of marginal cost and marginal costing; preparation of income statements using absorption and variable costing; learning of cost-volume-profit analysis and break-even analysis using mathematical and graphical approaches; and the application in businesses.  3: understand the concept of relevant and irrelevant costs and make decisions related to different business situations using marginal costing and differential costing techniques.  4: understand budgetary control system as a tool of managerial planning and control; ability to prepare various types of budget. Ability to understand standard costing system as a tool of managerial control; calculation of variances in respect of each element of cost and sales; control ratios.  5: understand management accounting issues of Responsibility accounting, Divisional performance measurement and Transfer pricing. | | | | | |
| **Lesson Plan** | | | | | |
| **Week No.** | | **Theme/Curriculum** | | **Any Additional Information** | |
| Week 1 &2 | | Meaning, objectives, nature and scope of management accounting, Difference between different forms of accounting –– Cost, Financial and Management accounting, Cost control and Cost reduction, Cost management. | |  | |
| Week 3 | | Concept of marginal cost and marginal costing; Absorption versus Variable Costing: Distinctive features and income determination; | |  | |
| Week 4 & 5 | | Cost-volume-profit analysis; Break-even analysis-using mathematical and graphical approaches; Profit-volume ratio, angle of incidence, margin of safety, key factor, determination of cost indifference point, Cash break-even point and Composite breakeven point. | |  | |
| Week 6 | | Steps in Decision Making Process, Concept of Relevant Costs and Benefits, Various short -term decision making situations. | |  | |
| Week 7 & 8 | | Profitable product mix, Acceptance or Rejection of special/ export offers, Make or buy, Addition or Elimination of a product line, sell or process further, operate or shut down. Pricing Decisions: Major factors influencing pricing decisions, Various methods of pricing. | |  | |
| Week 9 | | Budgeting and Budgetary Control: Concept of budget, budgeting and budgetary control; Objectives, merits and limitations; Budget Administration; | |  | |
| Week 10 & 11 | | Functional Budgets; Fixed and Flexible budgeting; Zero base budgeting; Programme and Performance budgeting. | |  | |
| Week 12 | | Meaning of standard cost and standard costing; advantages, limitations and applications; | |  | |
| Week 13 &14 | | Variance Analysis – material, labour, overheads and sales variances; Disposition of variances; Control ratios. | |  | |
| Week 15 | | Responsibility Accounting: Concept, Significance, Different Responsibility Centres; Divisional Performance Measurement: Financial and Non-Financial measures; Transfer pricing. | |  | |
| **References**  Goel, Rajiv Kumar & Ishaan Goel. Concept Building Approach to Management Accounting. Cengage.  • Lal, Jawahar and Srivastava, Seema. Cost Accounting. McGraw Hill Publishing Co., New Delhi.  • Singh, Surender. Management Accounting. PHI Learning Pvt. Limited, Delhi  • Singh, S.K. and Gupta, L. “Management Accounting”. A.K. Publications, New Delhi.  • Jhamb, H. V. Management Accounting. Ane Books Pvt. Ltd, New Delhi  • Khan, M. Y. and Jain, P.K. Management Accounting. Tata McGraw Hill Publishing Co., New Delh  **Additional Resources**  Arora, M.N. Management Accounting. Himalaya Publishing House, New Delhi  • Drury,Colin. Management and Cost Accounting. Thomson Learning.  • Horngren, Charles T., George Foster and Srikant M. Dattar. Cost Accounting: A Managerial Emphasis. Prentice Hall of India Ltd., New Delhi.  • Usry, Milton E. and Lawre | | | | | |
| **Online Resources (If Any)** | |  | | | |
| **Assignment and Class Test Schedule for Semester** | | Link the assignment and Test (optional) | | | |