

**SECOND ALLIED COURSE I
MANAGEMENT AND FINANCIAL ACCOUNTING**

Unit I

Definition of Accounting, Functions of Financial Accounting – Limitations of financial Accounting – Meaning and objectives and scope of management Accounting – Distinction between Financial Accounting and Management Accounting – role of Management Accountant.

Unit II

Accounting principles, concepts, conventions – Rules of Double entry system, Double entry Vs single entry – Journal – Ledger – Trial Balance.

Unit III

Trading Account, Profit and loss Account, Balance sheet, Classification of Assets and liabilities. Computer accounting and Algorithm – areas of applications of computers in Financial Accounting – Algorithm requisites of an effective algorithm.

Unit IV

Functions, uses, importance and meaning of financial statement analysis. Limitations of Financial statements – Preparation of common size statements – Ratio analysis – concept, uses and limitations. Different types of Ratios, computation of Ratios from Financial statements.

Unit V

Objectives of Funds flow statement – concept of funds, working capital, current assets, current liabilities, working capital statement or schedule of changes in working capital, preparation of Funds Flow Statement, Objectives of cash flow statement – preparation of cash flow statement, cash from operations, external sources of cash, Applications of cash form of cash flow statement.

40% Theory and 60% Problems

Text Books Recommended:

1. Financial and Management Accounting – T.s. Reddy and Y. Hari Prasad Reddy, Margham Publications
2. Accounting for Management – NP Srinivasan M. Sakthivel Murugan S.Chand & Company

Books for Reference:

1. Management Accounting S.N. Maheswari, Sultan Chand & Sons
2. Management Accounting – Tools and Techniques – N. Vinayagam, IB Sinha
3. Financial Accounting – B. Charumathi and L. Vinayagam – S. Chand & Company