

Course title: Corporate Accounting and Reporting				
Course code: PPM 128	No. of credits: 3	L-T-P distribution: 28-14-00	Learning hours: 42	
Pre-requisite course code and title (if any):				
Department: Department of Business and Sustainability				
Course coordinator(s):			Course instructor(s):	
Contact details:				
Course type: Core			Course offered in: Semester I	
Course description				
Accounting is the language of business. It attempts to measure and report corporate performance. Managers use accounting in making decisions; while investors use it for valuing stocks. The bankers and lender rely on accounting information to decide to whether to lend money to business. The accounting information is also crucial in evaluating the performance of employees at various levels in an organization. Thus, this is a very useful course in management education in almost every graduate management program the world over, a full course on accounting and reporting remains an obvious choice. This course is indispensable as the first step towards understanding the financials of business.				
Course objectives				
The course is designed for students participants				
<ul style="list-style-type: none"> • To Understand the basics of accounting; • To make them comfortable looking through an annual report. • To develop the ability in them to use financial statements to assess a company's performance • To understand how the accounting information system works in a firm; • To interpret the need of accounting information in managerial decision making process; • To analyze the performance vis-à-vis financial health of the firm; and, • To understand the role of accounting acts as a control mechanism. 				
Course contents				
Module	Topic	L	T	P
1	Accounting and Business Decisions: <ul style="list-style-type: none"> • What is accounting? • Different forms of business organization • Financial and Management Accounting • Accounting Information System • Users of accounting information • Role of accounting in capital market and corporate governance • Accounting Equation • Accounting Ethics 	2	0	0
2	Recording of business transactions: <ul style="list-style-type: none"> • Double-entry system • Accounts • Recording transactions • Error checks through trial • Balance 	4	2	0
3	Measuring business income: <ul style="list-style-type: none"> • Income measurement • Adjustments to be done • Preparing Profit & Loss Account • Concept of consolidated income statement 	3	1	0

4	Assignment Discussion	0	1	0
5	Balance Sheet: <ul style="list-style-type: none"> • What it is? • Why is it so called? • How to prepare it? • Consolidated balance sheet • What it says? • The new format for its presentation 	3	1	0
6	Annual Reports: <ul style="list-style-type: none"> • What it contains • The regulatory framework • Why the companies disclose more than what is legally required? • The disclosure system • Qualitative and Quantitative Reporting • Component-wise discussion 	3	0	0
7	Case discussion with live annual reports	0	1	0
8	Statement of Cash Flows: <ul style="list-style-type: none"> • What is it? • Why is it? • How to prepare it? • What does it say? 	1	1	0
9	Analyzing Financial Statements: <ul style="list-style-type: none"> • Why is it done? • Benchmarking and its problems • Intra and inter-firm comparison • Quality of earnings • Using financial ratios • Du-Pont analysis 	3	2	0
10	Case Discussion	0	1	0
11	Presentation of Group Assignment	0	2	0
12	Basics of Cost Accounting: <ul style="list-style-type: none"> • Cost classification • Cost absorption • Cost-Volume-Profit relationship • Marginal costing and managerial decisions. 	6	2	0
13	Accounting standards and IFRS: a brief introduction: <ul style="list-style-type: none"> • What is an accounting standard? • Why standardization is necessary? • Indian accounting standards • The regulatory framework • International standards and the regulatory framework. 	3	0	0
	Total	28	14	0
Evaluation criteria				
<ul style="list-style-type: none"> • Test 1: Quiz 30% • Test 2: Assignment 20% • Test 3: Written Test 25% • Test 4: Written Test 25% 				

Learning Outcomes: Upon completion of this course, it is expected that:

- Participants will be able to understand various principles on which financial statements are prepared.
- Participants will acquire critical thinking skills to analyze financial data, and demonstrate the ability to communicate such data effectively, as well as the ability to provide knowledgeable recommendations.
- Participants will be able to understand the role of managerial accounting in decision making.
- Participants will be able to understand and interpret the various cost information for planning and control purposes in managerial decision making.

Pedagogical approach

The course will be delivered through lectures and discussion of case studies, videos, annual reports of the companies, research papers and newspaper articles.

References:

Suggested Readings –

- Financial accounting: *a managerial perspective* by R. Narayana swamy, PHI, 4th ed;(RN).
- Cost Accounting: *theory and practice* by Bhabatosh Banerjee, PHI, 12th ed.,(BB).

Desirable Readings –

- Principles and Practice of Cost Accounting by Ashish K. Bhattacharyya, Prentice-Hall of India, Third Edition
- Accounting: Text and Case, Robert N. Anthony, David F Hawkins, and Kenneth A Merchant (AHM), 13th Edition, Tata McGraw Hill
- Text-“Accounting for Management: Text and Cases” by S.K. Bhattacharyya and John Dearden, Vikas Publishing House; Third edition
- Cost Accounting - A Managerial Emphasis by Charles T Horngren, SrikantM. Datarand GeorgeFoster, Pearson Education, Thirteenth Edition.
- Introduction to Management Accounting by Charles T. Horngren, Gary L. Sundem, William O. Stratton, Pearson Education, Thirteenth Edition.

Websites and Web resources –

The web is rich in resources when it comes to financial accounting. The list below is only indicative and not exhaustive.

- Economic decision-making and the role of accounting information available at <http://www.oeconomica.uab.ro/upload/lucrari/1020081/17.pdf>
- Understanding Financial Statements, A Damodaran available at <http://people.stern.nyu.edu/adamodar/pdfiles/valn2ed/ch3.pdf>
- <https://www.principlesofaccounting.com>
- <https://www.icaai.org>
- <https://www.icsi.edu/>
- <https://www.ft.com/>,
- <http://accounting-simplified.com/>,
- <https://www.bna.com/financial-accounting/>

Additional information (if any)

Online Swayam Course: Starting Date 27 July 2020 Enrollment Ends on 31 August 2020

Course Name: Financial Accounting and Analysis

By Padmini Srinivasan (Indian Institute of Management Bangalore)

Student responsibilities

All students are expected to read the assigned readings prior to the class. Students are expected to analyze the case following the ‘discussion questions’. All students must maintain full attendance and do timely submission of assignments.

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Course Reviewers:

Prof. Madhu Vij, DU
Prof. Vivek Suneja, DU