

FINANCIAL ACCOUNTING AND REPORTING

26MBPC503

(COURSE HANDBOOK)

MBA

COURSE FACULTY:

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1. GENERAL INFORMATION

Welcome to Financial Accounting and Reporting!

This course is designed to provide students with a comprehensive understanding of accounting principles and practices essential for effective managerial decision-making. Throughout the course, you will explore key concepts such as the accounting cycle, preparation of final accounts, financial statement analysis, and financial reporting. The curriculum is structured into five modules, each building on the previous one to ensure a cohesive learning experience.

In addition to theoretical knowledge, the course includes practical activities that enhance your understanding of accounting tools and techniques used in the industry. Notably, Module 4 involves case studies relating to financial ratio analysis using excel, equips you with valuable skills applicable in real-world accounting and finance settings. We encourage active participation in discussions and collaborative projects to deepen your comprehension and foster critical thinking skills.

We hope this course will not only impart essential accounting knowledge but also inspire you to apply these insights practically in your future careers. Please familiarize yourself with this handbook, as it contains vital information regarding assessments, learning outcomes, and resources that will support you with this course.

1.1. Course Objectives

This course is designed to:

- **Familiarize Students with Accounting Concepts**: Introduce key accounting principles and frameworks relevant to managerial decision-making.
- **Enable Preparation of Financial Records**: Equip students with the skills necessary to prepare books of accounts leading to final accounts.
- **Acquaint with Financial Statement Analysis**: Provide insights into analyzing financial statements for effective management.
- **Enable students to know financial reporting system:** Impart insights on corporate reporting system.

1.2. Course Outcomes:

At the end of the course, students will be able to:

CO1: Relate the concepts of accounting in managing business.

CO2: Apply the concepts of accounting for recording, classifying, and summarizing business data.

CO3: Apply the financial data to prepare final accounts in compliance with the Companies Act.

CO4: Analyze financial statements to assess liquidity, solvency, and profitability of an organization.

CO5: Interpret various financial reporting systems.

1.3. Recommended and Reference Text Books

All books are available in the library.

Key Text Books:

1. Tulsian P C, Financial Accounting, 4th Edition, Pearson Education India, 2023
2. Gupta R L & Radha Swamy, Advanced Accounting, 6th Edition, Sultan Chand & Sons publications 2022
3. Ambrish Gupta, Financial Accounting for Management: An analytical perspective, 7th Edition, Pearson education. 2022

Reference Books:

- Narayana Swamy R, Financial Accounting: A Managerial Perspective 7th Edition, PHI, 2022
- Maheswari S. N, Maheswari Sharad, K Maheshwari, A Textbook of Accounting for Management 5th edition, Vikas Publishing House (P) Ltd., 2022
- S.K. Bhattacharya & John Dearden, Accounting for Management – Texts and Cases, 3rd Edition, Vikas Publishing House Pvt. Ltd, 2018
- Jai Kumar Batra, Accounting and Finance for Non-finance Managers, 1st Edition, Sage Publications, 2018

Important Web Links:

1. Introduction to Financial Accounting: https://www.youtube.com/watch?v=Om0Ohf4sz78
2. Accounting cycle: https://www.youtube.com/watch?v=4MnijLuq1Ls
3. Ratio Analysis: https://www.youtube.com/watch?v=09Rk52DopAQ
4. Financial statement analysis: https://www.youtube.com/watch?v=gYtKUzUkLp8
5. Financial statement analysis and reporting: https://nptel.ac.in/courses/110107073
6. Introduction to the Financial Reporting Process | Financial Accounting https://youtu.be/cw5C_Li31Mg?si=LfD8rYMfBoqYZndH
7. Introduction to the ACCA Financial Reporting https://youtu.be/pKQlopxu450?si=1_uWNzaQl5BTKsKq

2. THE COURSE

2.1. Course Description

Financial Accounting and Reporting			
Semester	**I**	CIE Marks	**50**
Course Code	**26MBPC503**	SEE Marks	**50**
Teaching Hours/Week (L:T:P)	**4:0:0**	Exam Hrs	**03**
Total Hours	**52**	Credits	**04**

The Accounting for Managers course is designed to provide students with foundational knowledge in Managerial accounts over a 13-week period during Semester 1. The course consists of five modules covering essential topics in financial accounting. Each week includes four lectures. These lectures focus on theoretical concepts, practical applications, and course-related activities. Spanning a total of 52 hours, this 4 - credit course is assessed through Continuous Internal Evaluation (CIE) for 50 marks and a Semester-End Examination (SEE) for 50 marks, a 3-hour written examination. This structure ensures a balanced and engaging learning experience for students.

2.2. Initiating Contact with Staff and Other Students

We welcome your inquiries about the course. Please use email and office hours thoughtfully, and check previous communications and handbook materials before reaching out with administrative questions. Engage with peers for discussions and collaborative learning to enhance your understanding and foster a supportive academic community.

2.3. Resources

Resources include digital libraries, e-learning platforms, and research databases, offering students anytime, anywhere access to academic materials and interactive courses. On the college website, students can access the VTU Consortium, open-access repositories (e.g., NPTEL, NDLI), e-books, research papers, video lectures, and interactive tutorials, providing a flexible and comprehensive learning experience.

E-learning and digital library can be accessed via the college website https://mite.ac.in/ (Campus Life section > Library > VTU Consortium/e-learning platforms/additional sources).

2.4. Staff

Course Faculty: Dr. Jayashri Shetty
Cabin: 3rd floor, PG Block
Email: jayashri@mite.ac.in

Course Faculty: Mr. Akshathraj Jain
Cabin: 3rd floor, PG Block
Email: akshathraj@mite.ac.in

2.5. Topics and Reading Materials for each module

Module 1 *(No. of Hours: 08)*

- **Topic: Introduction to Accounting**
  - Objectives, need and types of Accounting, Overview of accounting standards: Indian accounting standards vs International financial reporting standards. Fraud and ethical issues in accounting.

- **Essential Readings**
  - Tulsian P C, Financial Accounting, 4th Edition, Pearson Education India, 2023 (chapter 1and 2)

- **Additional Reading**
  - Narayana Swamy R, Financial Accounting: A Managerial Perspective 7th Edition, PHI, 2022 (Chapter 1)

- **Additional Web Links**
  - Introduction of accounting - https://nptel.ac.in/courses/110106147
  - Introduction to financial accounting - https://shorturl.at/OzLzV

Module 2 *(No. of Hours: 12)*

- **Topic: Accounting Cycle**
  - Double entry and single entry system. Journal, Ledger, Trial balance, accounting equation, subsidiary books including cash book with three columns only.
  - Depreciation: Meaning, characteristics and causes of depreciation, Types of Depreciation, Tax implication of depreciation (Problems only on straight line and WDV Method) Case Studies.

- **Activities**
  - Assignment on Journal entry and Accounting equations.

- **Essential Readings**
  - Tulsian P C, Financial Accounting, 4th Edition, Pearson Education India, 2023 (Chapter 11)
  - Ambrish Gupta, Financial Accounting for Management: An analytical perspective, 7th Edition, Pearson education. 2022 (Chapter 7)
- **Additional Reading**
  - Maheswari S. N, Maheswari Sharad, K Maheshwari, A Textbook of Accounting for Management 5th edition, Vikas Publishing House (P) Ltd., 2022 (Chapter 13)

- **Additional Web Links**
  - Introduction to management accounting: https://nptel.ac.in/courses/110101003
  - Effectiveness of accounting practices in the success –
  - http://ijesrr.org/publication/9/IJESRR%20V-1-4-7.pdf

Module 3 *(No. of Hours: 11)*

- **Topic: Financial statement of Companies**
  - Preparation of financial statements of companies in vertical form as per the Companies Act of 2013. Calculation of earning per equity shares. Window dressing, Case Studies.

- **Activities**
  - Assignment on preparation of Financial statements

- **Essential Readings**
  - Tulsian P C, Financial Accounting, 4th Edition, Pearson Education India, 2023 (Chapter 9)
  - Gupta R L & Radha Swamy, Advanced Accounting, 6th Edition, Sultan Chand & Sons publications 2022 (Chapter 14)

- **Additional Reading**
  - Maheswari S. N, Maheswari Sharad, K Maheshwari, A Textbook of Accounting for Management 5th edition, Vikas Publishing House (P) Ltd., 2022 (Chapter 11)

- **Additional Web Links**
  - Introduction to financial accounting: https://archive.nptel.ac.in/courses/110/106/110106147/
  - Challenges of preparing final accounts: https://ijarsct.co.in/Paper12230.pdf

Module 4 *(No. of Hours: 12)*

- **Topic: Analysis of Financial statements**
  - Purpose of Financial Statement Analysis, Limitations of Financial Statements, Trend Analysis, Comparative Analysis, Financial Ratio, Analysis, Preparation of Financial Statements using Financial Ratios, Preparation of Cash flow Statements (Indirect method), Case studies

- **Activities**
  - Analysis of the financial statements of companies using Excel.
  - Assignment on Cash flow statement.

- **Essential Readings**
  - Gupta R L & Radha Swamy, Advanced Accounting, 6th Edition, Sultan Chand & Sons publications 2022 (Chapter 11)

- **Additional Reading**
  - Narayana Swamy R, Financial Accounting: A Managerial Perspective 7th Edition, PHI, 2022 (Chapter 2 Section 4)

- **Additional Web Links**
  - Financial statement analysis and reporting https://nptel.ac.in/courses/110107073
  - Cash -flow statement: https://archive.nptel.ac.in/courses/110/101/110101131/

Module 5 *(No. of Hours: 09)*

- **Topic: Financial Reporting**
  - Understanding Annual Report – Sustainability Reporting - Sustainability and Integrated Reporting (GRI Standards, ESG Reporting) -Non-Financial Information and its Role in Decision-Making -Global Trends in Corporate Reporting and Disclosure. auditor.

- **Activities**
  - Student group presentation on corporate financial reporting.

- **Essential Readings**
  - Maheswari S. N, Maheswari Sharad, K Maheshwari, A Textbook of Accounting for Management 5th edition, Vikas Publishing House (P) Ltd., 2022 (Chapter 8)

- **Additional Reading**
  - Mohaned And Alrahman. (2020). Bank Reconciliation. Retrieved January 10, 2025, from

- **Additional Web Links**

  Introduction to the Financial Reporting Process | Financial Accounting https://youtu.be/cw5C_Li31Mg?si=LfD8rYMfBoqYZndH

3. ASSESSMENT

The assessment for the Financial Accounting and Reporting is divided into two components: Continuous Internal Evaluation (CIE) and Semester End Examination (SEE), each accounting for 50% of the total marks.

Continuous Internal Evaluation (CIE) comprises two internal tests, scheduled for 8th and 14th week, which together contribute 30% of the total marks. Additionally, students can earn 20% through the completion of assignments (10 marks is allotted for completion of module wise assignments, 10 marks are allotted presentation on corporate financial reporting).

Semester End Examination (SEE) constitutes the remaining 50% of the total marks. Key information regarding examination dates and related details can be accessed via the college website (Academics and Courses section > Calendar of Events > PG Odd Sem).

Rubrics for Other Assessment (Total: 20 Marks / 40% of CIE)

1. Module wise Assignment (10 Marks)				
Criteria	**10 Marks (Excellent)**	**8 Marks (Good)**	**6 Marks (Fair)**	**3-5 Marks (Poor)**
Completion	Completed all modules and tasks.	Completed most modules.	Completed some modules.	Incomplete or missed modules.
Timeliness	Completed on time.	Completed slightly late.	Completed much later than due.	Missed the deadline.

2. Presentation on Corporate financial reporting (10 Marks)				
Criteria	**10 Marks (Excellent)**	**8 Marks (Good)**	**6 Marks (Fair)**	**3-5 Marks (Poor)**
Presentation skill	Clear, detailed explanation	Good explanation, minor gaps	Basic explanation, missing key details	Lacks understanding or incorrect information
Content	Clear, well-defined structure	Clear, but some details missing/unclear	Unclear or incomplete structure	Poorly explained or missing components