

# Accounting for Management: *Concepts and Tools*

## Course Description

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A primer on the basic theoretical concepts and the practical procedures of financial record keeping and reporting, and the use of financial and cost data in managerial decision making. It provides an understanding and working knowledge of the fundamentals of financial and managerial accounting that can be put to practical application in day-to-day jobs of managers. It also concentrates on providing a working vocabulary for communication. Topics include accounting principles and reporting trends, accounting conventions and systems, interpretation and analysis of financial statements; cash flow statement; break-even analysis; activity-based costing (ABC); responsibility accounting; budget for profit planning; short-term and long-term investment decision making. A list of computer software for accounting, ABC, and budgeting is presented.

**Completion Deadline & Exam:** This course, including the examination, must be completed within one year of the date of purchase. In addition, unless otherwise indicated, no correct or incorrect feedback for any exam question will be provided.

**Course Level:** Overview. This program is appropriate for professionals at all organizational levels.

**CPE Credits:** 8 (CPA)

**Category:** Accounting

**Prerequisite:** None

**Advanced Preparation:** None

## Course Learning Objectives

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### Chapter 1: Introduction to Accounting

After studying the material in this chapter, you will be able to

1. Recognize the primary statements used and the key areas of accounting.
2. Recognize major accounting rule-making organizations.
3. Identify the global focus in financial reporting.
4. Identify the basic accounting principles.
5. Identify the different types of business entities.

## **Chapter 2: Understanding the Financial Statements**

After studying the material in this chapter, you will be able to

1. Recognize the primary purpose and use of different accounting financial statements.
2. Identify the format of the income statement.

## **Chapter 3: Recording Financial Information and Accounting Conventions**

After studying the material in this chapter, you will be able to

1. Recognize the double entry system and the accounting equation.
2. Recognize the system of debits and credits.
3. Identify different depreciation methods and calculate depreciation rates.

## **Chapter 4: Analysis of the Financial Statements**

After studying the material in this chapter, you will be able to

1. Recognize the benefits of financial statement analysis, and how key ratios are applied.
2. Distinguish among trend analysis, vertical analysis, and horizontal analysis.
3. Recognize various ratios used in financial analysis.

## **Chapter 5: What is Management Accounting**

After studying the material in this chapter, you will be able to

1. Recognize the benefits of and applications of management accounting and different management systems.
2. Identify how to classify different costs in management accounting.

## **Chapter 6: Product Costing Methods**

After studying the material in this chapter, you will be able to

1. Recognize basic assumptions and uses of different cost systems.

## **Chapter 7: Cost Behavior and Cost Volume Profit Analysis**

After studying the material in this chapter, you will be able to

1. Identify the benefits of developing a cost-volume profit analysis.
2. Compute the sales necessary to break even or to achieve a target income.
3. Perform a variety of "what-if" analyses using the contribution approach.

## **Chapter 8: Budgeting and Standard Cost Systems**

After studying the material in this chapter, you will be able to

1. Identify the different budgets used in an organization and their purpose.
2. Recognize characteristics of a standard costing system and different cost variances.

## **Chapter 9: Responsibility Accounting**

After studying the material in this chapter, you will be able to

1. Identify uses and attributes of a contribution margin approach.
2. Recognize and compute return on investment (ROI) by means of the Du Pont formula.
3. Identify how ROI and Residual Income (RI) measures affect the division's investment decision.

## **Chapter 10: Relevant Costs and Short-Term Decisions**

After studying the material in this chapter, you will be able to

1. Identify the costs that are relevant for different financial decisions.
2. Recognize factors used in making a short-term profit maximization decision.

## **Chapter 11: Capital Budgeting and Decisions**

After studying the material in this chapter, you will be able to

1. Identify different attributes and ratios used in capital budgeting decisions.
2. Calculate payback period for capital expenditures.