



Kot Bhalwal, Jammu



Model Institute of Engineering
& Technology (Autonomous)
Dr. Arun K. Gupta Teaching-Learning Centre

Department of Commerce

Details of Lesson Plan

S.No.	Particulars	Details
1.	Course Name	Management Accounting
2.	Course Code	BCMMJ-501
3.	Academic Year	2024-25
4.	Semester	V
5.	Number of Lesson plans	48
6.	Faculty Assigned	Dr. Priyanka Sharma

Priyanka
Faculty Signature



Lesson Plan No. 1.1	Course Name: Management Accounting Topic: Introduction – Meaning and objective	Course No.: BCMMJ-501
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Objectives	At the end of the lesson the student shall be able to: a. Define management accounting and differentiate it from financial accounting. b. Identify the key users of management accounting information. c. Explain the primary objectives of management accounting.
Teaching Aids (if any)	a. ICT usage b. Think-Pair-Share
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin with a brief overview of the role of accounting in business.- Introduce the concept of management accounting and its importance in the decision-making process.- Create interest by asking students about the challenges faced by managers in making business decisions.2. Development (30 minutes)<ol style="list-style-type: none">a. Meaning of Management Accounting:<ul style="list-style-type: none">• Define management accounting as the process of identifying, measuring, analyzing, interpreting, and communicating financial information to managers to help them make informed decisions.• Explain the focus on internal users and its role in supporting management functions.• Differentiate between management accounting and financial accounting in terms of users, purpose, and information provided.b. Objectives of Management Accounting:<ul style="list-style-type: none">• Discuss the primary objectives of management accounting:• Planning: Assisting in setting goals and strategies.• Controlling: Monitoring performance and taking corrective actions.• Decision-making: Providing relevant information for choosing among alternatives.• Performance evaluation: Assessing the efficiency and effectiveness of operations.• Elaborate on each objective with examples and real-world scenarios.• Discuss the interrelationship among the objectives.3. Exercise (5 minutes) – Think-Pair-Share:<ul style="list-style-type: none">• Divide students into pairs.• Ask students to discuss the following questions with their partner:<ul style="list-style-type: none">○ How can management accounting help a company to reduce costs?○ What are the potential benefits of using management accounting



	<p>information for decision-making?</p> <ul style="list-style-type: none">• Have pairs share their insights with the class. <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016)3. Homework<ul style="list-style-type: none">- Provide examples of how management accounting can be used to support planning, controlling, and decision-making activities within an organization. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Accounting <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 1.2	Course Name: Management Accounting Topic: Nature and Scope of Management Accounting	Course No.: BCMMJ-501
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Objectives	At the end of the lesson the student shall be able to: a. Define management accounting and differentiate it from financial accounting. b. Explain the nature of management accounting information. c. Identify the scope of management accounting functions. d. Understand the relationship between management accounting and other business functions
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	1. Introduction (5 minutes) - Briefly recap the previous lesson on the meaning and objectives of management accounting. - Introduce the concept of the nature and scope of management accounting. - Engage students in a discussion about the challenges faced by managers in obtaining relevant information for decision-making. 2. Development (30 minutes) a. Nature of Management Accounting Information : • Explain the characteristics of management accounting information: • Relevance • Timeliness • Accuracy • Flexibility • Understandability • Discuss how these characteristics differentiate management accounting information from financial accounting information. b. Scope of Management Accounting : • Identify the key areas of management accounting: • Cost accounting • Budgeting and budgetary control • Performance evaluation • Decision making • Responsibility accounting • Standard costing • Variance analysis • Explain the interrelationship between these areas and their contribution to overall management. 3. Exercise (5 minutes) – One minute paper Use QA to collect responses and discuss the answers.
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Suggested Reading Accounting for Managers by M.E Thukaram Rao, New Age international



	<p>Publisher, 8th (2016)</p> <p>3. Homework</p> <p>Case Study: Analyze a case study of a company facing a business challenge and identify the management accounting techniques that could be used to address the issue.</p> <p>Case: Manufacturing Company Facing Profit Decline</p> <p>Company Profile: A manufacturing company that has been operating successfully for the past decade is experiencing a decline in profitability. Despite increased sales, the company's profit margins have been shrinking.</p> <p>Case Questions:</p> <ol style="list-style-type: none">1. What management accounting techniques could be used to identify the reasons for the profit decline?2. How can management accounting information help in cost reduction and efficiency improvement?3. What role can management accounting play in developing strategies to improve profitability? <p>Possible Management Accounting Techniques:</p> <ul style="list-style-type: none">• Cost-volume-profit analysis• Variance analysis• Activity-based costing• Budgeting and budgetary control• Performance evaluation <p>Discussion Points:</p> <ul style="list-style-type: none">• The importance of accurate and timely cost information.• The role of management accounting in identifying cost drivers.• The use of management accounting to evaluate the performance of different departments.• The potential benefits of implementing activity-based costing. <p>By analyzing this case, students can apply the concepts of nature and scope of management accounting to a real-world business scenario.</p> <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Accounting <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 1.3	Course Name: Management Accounting Topic: Functions and Limitation of Management Accounting	Course No.: BCMMJ-501
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Objectives	At the end of the lesson the student shall be able to: a. Identify the primary functions of management accounting. b. Explain the role of management accounting in decision-making, planning, and control. c. Understand the limitations of management accounting.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none">Introduction (5 minutes)<ul style="list-style-type: none">Briefly recap the previous lessons on the meaning, objectives, and nature of management accounting.Introduce the topic of functions and limitations of management accounting.Create interest by asking students about the challenges faced by managers in utilizing accounting informationDevelopment (30 minutes)<ol style="list-style-type: none">Explain the key functions of management accounting:<p>Planning: Assisting in setting goals and strategies. Controlling: Monitoring performance and taking corrective actions. Decision-making: Providing relevant information for choosing among alternatives. Performance evaluation: Assessing the efficiency and effectiveness of operations.</p><ul style="list-style-type: none">Elaborate on each function with examples and real-world scenarios.Discuss the interrelationship among the functions.Limitations of Management Accounting:<ul style="list-style-type: none">Identify the limitations of management accounting:<ul style="list-style-type: none">Reliance on estimates and assumptions.Cost and time involved in data collection and analysis.Potential for manipulation of data.Difficulty in measuring intangible assets.Discuss how to overcome or mitigate these limitations.Exercise (5 minutes) – Quiz (Individual)- True or False:<ul style="list-style-type: none">Management accounting focuses primarily on external users of financial information.One of the primary objectives of management accounting is to assist in planning and budgeting.Management accounting information is primarily used for historical analysis.Cost-volume-profit analysis is a management accounting tool used for decision-making.



	<ul style="list-style-type: none">• Performance evaluation is not a core objective of management accounting.• Management accounting information is essential for controlling costs and expenses.• Management accountants are involved in decision-making but not in strategic planning.• Providing information for tax planning is a primary objective of management accounting.• Management accounting helps in measuring the efficiency and effectiveness of operations.• Management accounting information is always financial in nature. <p>Use QA to collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016)3. Homework<ul style="list-style-type: none">- Define the primary functions of management accounting.- Explain the limitations of management accounting and how they can be overcome. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Accounting <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 1.4	Course Name: Management Accounting Topic: Relationship Between Financial, Cost, and Management Accounting	Course No.: BCMMJ-501
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Objectives	At the end of the lesson the student shall be able to: a. Define financial, cost, and management accounting. b. Identify the key differences between the three types of accounting. c. Explain the relationship between financial, cost, and management accounting. d. Understand how information flows between the three accounting functions.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Briefly recap the previous lessons on management accounting.- Introduce the topic of the relationship between financial, cost, and management accounting.- Create interest by asking students about the different types of information managers need to make decisions.2. Development (30 minutes)<ol style="list-style-type: none">a. Defining the Three Types of Accounting:<ul style="list-style-type: none">- Define financial accounting, cost accounting, and management accounting.- Explain the primary users and purpose of each type of accounting.- Highlight the key differences in terms of time orientation, reporting frequency, level of detail, and the nature of information provided.b. Relationship between Financial and Cost Accounting:<ul style="list-style-type: none">- Explain how financial accounting data is used as a starting point for cost accounting.- Discuss the process of allocating costs to products or services.- Highlight the importance of accurate cost information for financial reporting.c. Relationship between Cost and Management Accounting:<ul style="list-style-type: none">- Explain how cost accounting information is used by management accounting.- Discuss the role of cost accounting in providing data for decision-making, planning, and control.- Emphasize the use of cost information for performance evaluation and cost reduction.d. Relationship between Financial and Management Accounting:<ul style="list-style-type: none">- Explain how management accounting information supports financial decision-making.- Discuss the use of management accounting information for



	<p>budgeting, forecasting, and financial planning.</p> <ul style="list-style-type: none">- Highlight the importance of effective communication between financial and management accountants. <p>3. Exercise (5 minutes) – Ask students to identify the relevant information needed from financial, cost, and management accounting to make the decision. Use QA to collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016)3. Homework<ul style="list-style-type: none">- Define financial, cost, and management accounting.- Explain the key differences between the three types of accounting.- Describe the relationship between financial, cost, and management accounting.- Provide examples of how information flows between the three accounting functions. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Accounting <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 1.5	Course Name: Management Accounting Topic: Tools for Managerial decision making	Course No.: BCMMJ-501
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Objectives	At the end of the lesson the student shall be able to: a. Understand the importance of decision-making tools in management. b. Identify various tools used for managerial decision making. c. Apply these tools to real-world business scenarios.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none"> Introduction (5 minutes) <ul style="list-style-type: none"> Briefly recap the importance of management accounting in providing information for decision-making. Introduce the topic of tools for managerial decision making. Emphasize the role of these tools in improving decision quality. Development (30 minutes) <ol style="list-style-type: none"> Overview of Decision-Making Tools: <ul style="list-style-type: none"> Discuss the concept of decision-making and the challenges faced by managers. Introduce various decision-making tools such as: Cost-volume-profit analysis Break-even analysis Decision trees Sensitivity analysis Linear programming Capital budgeting techniques (NPV, IRR, Payback period) Briefly explain the purpose and application of each tool. Group Activity: Tool Selection: <ul style="list-style-type: none"> Divide students into groups. Provide each group with a hypothetical business scenario (e.g., product pricing, investment decision, resource allocation). Ask groups to identify the most suitable decision-making tool(s) for the given scenario. Have groups present their choices and reasoning to the class. Exercise (5 minutes) – Ask students to identify the relevant information needed from financial, cost, and management accounting to make the decision. Use QA to collect responses and discuss the answers.
Closure	<ol style="list-style-type: none"> Summarize the Lesson Learning Outcomes and get affirmation from students on these. Suggested Reading <ul style="list-style-type: none"> Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016) Homework <ul style="list-style-type: none"> Case Study:



	<p>- A company is considering launching a new product. There is a 60% chance of high demand and a 40% chance of low demand. If the demand is high, the company can either expand production or maintain the current level. If the demand is low, the company can either reduce production or discontinue the product.</p> <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Accounting <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 1.6	Course Name: Management Accounting Topic: Types of ratios	Course No.: BCMMJ-501
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Objectives	At the end of the lesson the student shall be able to: <ol style="list-style-type: none"> Define ratio analysis and its importance. Classify different types of accounting ratios. Understand the purpose of each ratio category. Apply ratio analysis to evaluate a company's financial performance
Teaching Aids (if any)	<ol style="list-style-type: none"> PPT White board
Teaching Development	<ol style="list-style-type: none"> Introduction (5 minutes) <ul style="list-style-type: none"> Recap the concept of ratio analysis and its importance. Introduce the concept of classifying ratios. Ask students why it is important to categorize ratios. - Development (30 minutes) <ol style="list-style-type: none"> Classification of Ratios: <ul style="list-style-type: none"> Explain the primary categories of accounting ratios: <ul style="list-style-type: none"> Liquidity ratios Solvency ratios Profitability ratios Activity ratios Discuss the purpose of each category and the types of ratios included in each. Provide examples of each type of ratio and how they are calculated. Importance of Ratio Classification: <ul style="list-style-type: none"> Emphasize the significance of classifying ratios for financial analysis. Discuss how different stakeholders (investors, creditors, managers) use different ratios to evaluate a company. Explain the relationship between different ratio categories. Exercise (5 minutes) – True or False: <ul style="list-style-type: none"> Liquidity ratios measure a company's ability to generate profits. The debt-to-equity ratio is a profitability ratio. The inventory turnover ratio is a liquidity ratio. Profit margin is a measure of profitability. The current ratio is a solvency ratio.. <p>Use QA to collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none"> Summarize the Lesson Learning Outcomes and get affirmation from students on these. Suggested Reading



	<p>- Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016)</p> <p>3. Homework</p> <ul style="list-style-type: none">- Research different industries and identify the key ratios used in each industry.- Calculate and analyze the different types of ratios for a publicly traded company.- Write a short report comparing the company's performance to industry averages. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Accounting <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 1.7	Course Name: Management Accounting Topic: Accounting ratios including short term and long-term solvency ratios	Course No.: BCMMJ-501
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Objectives	At the end of the lesson the student shall be able to: a. Differentiate between liquidity and solvency ratios. b. Calculate and interpret short-term and long-term solvency ratios. c. Analyze a company's financial health based on solvency ratios.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Recap the concept of ratio analysis and its importance.- Introduce the focus on liquidity and solvency ratios.- Emphasize the need to assess a company's ability to meet its short-term and long-term obligations.2. Development (30 minutes)<ol style="list-style-type: none">a. Liquidity Ratios:<ul style="list-style-type: none">- Define liquidity and its importance for a business.- Introduce liquidity ratios: Current ratio Quick ratio (acid-test ratio)- Provide formulas and examples for calculating these ratios.- Discuss the implications of different liquidity ratios.b. Solvency Ratios:<ul style="list-style-type: none">- Define solvency and its importance for a business.- Differentiate between short-term and long-term solvency.- Introduce short-term solvency ratios: Cash ratio- Introduce long-term solvency ratios: Debt-to-equity ratio Debt-to-assets ratio Interest coverage ratio- Provide formulas and examples for calculating these ratios.- Discuss the implications of different solvency ratios.3. Exercise (5 minutes) – Multiple Choice:<ol style="list-style-type: none">1. Which ratio measures a company's ability to generate earnings from its assets?<ol style="list-style-type: none">a) Current ratiob) Debt-to-equity ratioc) Return on assets (ROA)d) Inventory turnover ratio2. A decline in the current ratio indicates:<ol style="list-style-type: none">a) Improved liquidityb) Decreased liquidityc) Increased profitability



	<p>d) No change in financial health</p> <p>3. The ability to meet long-term obligations is measured by:</p> <ul style="list-style-type: none">a) Liquidity ratiosb) Solvency ratiosc) Profitability ratiosd) Activity ratios <p>4. A high debt-to-equity ratio generally indicates:</p> <ul style="list-style-type: none">a) Low financial riskb) High financial riskc) Strong liquidityd) High profitability <p>5. Which ratio measures the number of times a company can cover its interest expense with its earnings before interest and taxes?</p> <ul style="list-style-type: none">a) Current ratiob) Debt-to-equity ratioc) Interest coverage ratiod) Profit margin ratio <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016)3. Homework<ul style="list-style-type: none">- Calculate the current ratio, quick ratio, debt-to-equity ratio, and interest coverage ratio for a publicly traded company. Analyze the company's liquidity and solvency position based on the calculated ratios. Compare the results to industry averages <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Accounting <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 1.8	Course Name: Management Accounting Topic: Activity ratios	Course No.: BCMMJ-501
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Objectives	At the end of the lesson the student shall be able to: a. Define activity ratios and explain their significance in financial analysis. b. Calculate various activity ratios using financial data. c. Analyze activity ratios to assess a company's operational efficiency. d. Interpret the implications of different activity ratio levels.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin by asking students about their favorite sports teams or athletes.- Discuss the concept of performance metrics used to evaluate athletes (e.g., batting average, field goal percentage).- Explain that businesses also use metrics to evaluate their performance, and activity ratios are one such tool.- Define activity ratios as a category of financial ratios that measure how efficiently a company utilizes its assets.2. Development (30 minutes)<ol style="list-style-type: none">a. Explanation of Activity Ratios:<ul style="list-style-type: none">• Introduce the main types of activity ratios:• Inventory turnover ratio• Days' sales in inventory• Accounts receivable turnover ratio• Average collection period• Asset turnover ratio• Provide clear definitions and formulas for each ratio.• Use real-world examples to illustrate the meaning of each ratio.b. Calculation Practice:<ul style="list-style-type: none">• Provide a set of financial statements for a company.• Assign to calculate one or two activity ratios.• Circulate among the groups to assist as needed3. Exercise (5 minutes) – Calculate and Interpret Scenario: You are a financial analyst for a retail company. You have the following financial data for the company:<ul style="list-style-type: none">• Inventory: Beginning inventory = 100,000; Ending inventory = 120,000• Cost of goods sold (COGS): 500,000• Net sales: 800,000• Accounts receivable: Beginning = 80,000; Ending = 90,000Required:



	<ol style="list-style-type: none">1. Calculate the following activity ratios:<ul style="list-style-type: none">○ Inventory turnover ratio○ Days' sales in inventory○ Accounts receivable turnover ratio○ Average collection period2. Interpret the results of your calculations. What do these ratios tell you about the company's efficiency in managing its inventory and receivables? <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016)3. Homework<ul style="list-style-type: none">- Scenario: A company is considering implementing a new inventory management system that is expected to reduce inventory levels by 20% without affecting sales. <p>Required: Calculate the following activity ratios:</p> <ul style="list-style-type: none">● Inventory turnover ratio● Days' sales in inventory● Accounts receivable turnover ratio● Average collection period <p>- Interpret the results of your calculations. What do these ratios tell you about the company's efficiency in managing its inventory and receivables?</p> <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Accounting <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 1.9	Course Name: Management Accounting Topic: Profitability ratios	Course No.: BCMMJ-501
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Objectives	At the end of the lesson the student shall be able to: a. Define profitability ratios and explain their importance in financial analysis. b. Calculate various profitability ratios using financial data. c. Analyze profitability ratios to assess a company's financial performance. d. Interpret the implications of different profitability ratio levels.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin by asking students about their favorite companies or brands.- Discuss how companies measure their success (e.g., profit, revenue).- Explain that profitability ratios are used to evaluate a company's financial performance.- Define profitability ratios as a category of financial ratios that measure a company's ability to generate profit from its operations.2. Development (30 minutes)<ol style="list-style-type: none">a. Explanation of Activity Ratios:<ul style="list-style-type: none">• Introduce the main types of activity ratios:• Inventory turnover ratio• Days' sales in inventory• Accounts receivable turnover ratio• Average collection period• Asset turnover ratio• Provide clear definitions and formulas for each ratio.• Use real-world examples to illustrate the meaning of each ratio.b. Calculation Practice:<ul style="list-style-type: none">• Provide a set of financial statements for a company.• Assign to calculate one or two activity ratios.• Circulate among the groups to assist as needed3. Exercise (5 minutes) – Calculate and Interpret Scenario: You are a financial analyst for a retail company. You have the following financial data for the company:<ul style="list-style-type: none">• Inventory: Beginning inventory = 100,000; Ending inventory = 120,000• Cost of goods sold (COGS): 500,000• Net sales: 800,000• Accounts receivable: Beginning = 80,000; Ending = 90,000Required:



	<ol style="list-style-type: none">1. Calculate the following activity ratios:<ul style="list-style-type: none">○ Inventory turnover ratio○ Days' sales in inventory○ Accounts receivable turnover ratio○ Average collection period2. Interpret the results of your calculations. What do these ratios tell you about the company's efficiency in managing its inventory and receivables? <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016)3. Homework<ul style="list-style-type: none">- Scenario: A company is considering implementing a new inventory management system that is expected to reduce inventory levels by 20% without affecting sales. <p>Required: Calculate the following activity ratios:</p> <ul style="list-style-type: none">● Inventory turnover ratio● Days' sales in inventory● Accounts receivable turnover ratio● Average collection period <p>- Interpret the results of your calculations. What do these ratios tell you about the company's efficiency in managing its inventory and receivables?</p> <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Accounting <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 1.10	Course Name: Management Accounting Topic: Liquidity Ratio.	Course No.: BCMMJ-501
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Objectives	At the end of the lesson the student shall be able to: a. Define liquidity and its importance in financial analysis. b. Calculate various liquidity ratios using financial data. c. Analyze liquidity ratios to assess a company's short-term financial health. d. Interpret the implications of different liquidity ratio levels
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none">Introduction (5 minutes)<ul style="list-style-type: none">- Begin by asking students about their personal experiences with cash shortages or emergencies.- Discuss the importance of having enough cash on hand to cover unexpected expenses.- Explain that liquidity ratios measure a company's ability to meet its short-term obligations.- Define liquidity as a company's ability to convert assets into cash to meet short-term liabilities.Development (30 minutes)<ol style="list-style-type: none">Explanation of Liquidity Ratios:<ul style="list-style-type: none">• Introduce the main types of liquidity ratios:<ul style="list-style-type: none">○ Current ratio○ Quick ratio (acid-test ratio)○ Cash ratio• Provide clear definitions and formulas for each ratio.• Use real-world examples to illustrate the meaning of each ratio.Calculation Practice:<ul style="list-style-type: none">• Divide students into groups of 3-4.• Provide each group with a balance sheet for a company.• Assign each group to calculate one or two liquidity ratios.• Circulate among the groups to assist as needed.Analysis and Interpretation:<ul style="list-style-type: none">• Bring the class together to share their calculated ratios.• Discuss the implications of different ratio levels.• Explain how to use liquidity ratios to assess a company's short-term financial health.• Emphasize the importance of comparing a company's ratios to industry averages and historical trends.Exercise (5 minutes) – Scenario: You are a financial analyst for a retail company. You have the following balance sheet data:<ul style="list-style-type: none">• Current assets: 200,000• Quick assets: 150,000• Cash and cash equivalents: 50,000• Current liabilities: 120,000Required:<ol style="list-style-type: none">1. Calculate the current ratio, quick ratio, and cash ratio.



	<p>2. Interpret the results of your calculations. What do these ratios tell you about the company's liquidity?</p> <p>Collect responses and discuss the answers.</p>
Closure	<p>1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.</p> <p>2. Suggested Reading</p> <ul style="list-style-type: none">- Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016) <p>3. Homework:</p> <ul style="list-style-type: none">- Research and compare the liquidity ratios of two companies in the same industry. Discuss the factors that might explain the differences in their liquidity.- Explain the relationship between liquidity ratios and profitability ratios. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<p>1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.</p> <p>2. Quiz on Accounting</p> <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 1.11	Course Name: Management Accounting Topic: Turnover Ratio.	Course No.: BCMMJ-501
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Objectives	At the end of the lesson the student shall be able to: a. Define turnover ratios and their significance in financial analysis. b. Calculate key turnover ratios: inventory turnover, accounts receivable turnover, and asset turnover. c. Analyze turnover ratios to assess a company's operational efficiency. d. Interpret the implications of different turnover ratio levels.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none">Introduction (5 minutes)<ul style="list-style-type: none">- Begin by asking students about their favorite retail stores.- Discuss how stores manage their inventory to avoid stockouts or excess stock.- Explain that turnover ratios measure how efficiently a company utilizes its assets.- Define turnover ratios as a category of financial ratios that measure how efficiently a company manages and utilizes its assets.Development (30 minutes)<ol style="list-style-type: none">Explanation of Turnover Ratios:<ul style="list-style-type: none">• Introduce the main types of turnover ratios:<ul style="list-style-type: none">○ Inventory turnover ratio○ Accounts receivable turnover ratio○ Asset turnover ratio• Provide clear definitions and formulas for each ratio.• Use real-world examples to illustrate the meaning of each ratio.Calculation Practice:<ul style="list-style-type: none">• Divide students into groups of 3-4.• Provide each group with a set of financial statements for a company.• Assign each group to calculate one or two turnover ratios.• Circulate among the groups to assist as needed.Analysis and Interpretation:<ul style="list-style-type: none">• Bring the class together to share their calculated ratios.• Discuss the implications of different ratio levels.• Explain how to use turnover ratios to assess a company's operational efficiency.• Emphasize the importance of comparing a company's ratios to industry averages and historical trends.Exercise (5 minutes) – Scenario: You are a financial analyst for a clothing retailer. You have the following financial data for the company:<ul style="list-style-type: none">• Inventory: Beginning inventory = 100,000; Ending inventory = 120,000• Cost of goods sold (COGS): 500,000• Net sales: 800,000• Total assets: 2,000,000Required:<ol style="list-style-type: none">1. Calculate the inventory turnover ratio, accounts receivable turnover ratio,



	<p>and asset turnover ratio.</p> <ol style="list-style-type: none">2. Interpret the results of your calculations. What do these ratios tell you about the company's efficiency? <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016)3. Homework:<ul style="list-style-type: none">- Explain the relationship between inventory turnover and profitability. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Accounting <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 2.1	Course Name: Management Accounting Topic: Concept of Cash Flow	Course No.: BCMMJ- 501
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Objectives	At the end of the lesson the student shall be able to: a. Define cash flow and its importance in business. b. Differentiate between cash and profit. c. Identify the three main types of cash flow activities: operating, investing, and financing. d. Explain the concept of cash flow cycle. e. Analyze a simplified cash flow statement.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin with a real-world example of a business facing financial difficulties despite making a profit. Ask students why this might happen.- Define cash flow: Explain that cash flow is the movement of cash into and out of a business.- Differentiate between cash and profit: Emphasize that profit is an accounting concept, while cash flow is the actual movement of money.2. Development (30 minutes)<ol style="list-style-type: none">a. Cash Flow Activities<ul style="list-style-type: none">- Explain the three main categories of cash flow activities:- Operating activities: Cash generated from day-to-day operations (sales, expenses, etc.)- Investing activities: Cash used for investing in assets (property, equipment, etc.)- Financing activities: Cash obtained from or repaid to investors and creditors (loans, equity, dividends, etc.)- Provide examples of each type of activity: Use real-world examples to illustrate each category.b. Cash Flow Cycle<ul style="list-style-type: none">- Explain the concept of cash flow cycle: Describe the process of cash being invested, converted into inventory, sold, and then collected as cash.- Discuss the importance of managing cash flow: Explain how efficient cash management can impact a business's success.c. Cash Flow Statement<ul style="list-style-type: none">- Introduce the cash flow statement: Explain that it is a financial statement that shows the inflows and outflows of cash during a specific period.- Explain the indirect method: Briefly explain how the indirect method is used to calculate cash flow from operating activities.- Analyze a simplified cash flow statement: Provide a basic cash flow statement and explain how to interpret the information.3. Exercise (5 minutes) – True or False Questions<ul style="list-style-type: none">- Profit is the same as cash flow.



	<ul style="list-style-type: none">- A business can have a profit but still face cash flow problems.- Investing activities always result in cash outflow Collect responses and discuss the answers.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016)3. Homework<ul style="list-style-type: none">- What is the importance of cash flow for a business?- Explain the difference between cash and profit.- Give two examples of operating activities. Spend 5 minutes to wrap up and consolidate the learnings
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Cash Flow Spend 5 minutes to evaluate student assimilation of the lesson contents



Lesson Plan No. 2.2	Course Name: Management Accounting Topic: Concept of Cash Flow statement	Course No.: BCMMJ- 501
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Objectives	At the end of the lesson the student shall be able to: a. Understand the concept of cash flow and its importance in business. b. Differentiate between cash flow and profit. c. Identify the three main categories of cash flow activities. d. Learn how to prepare a basic cash flow statement. e. Analyze a cash flow statement to assess a company's financial health.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	1. Introduction (5 minutes) - Begin with a real-world example of a business facing financial difficulties despite making a profit. Ask students why this might happen. - Define cash flow: Explain that cash flow is the movement of cash into and out of a business. - Differentiate between cash and profit: Emphasize that profit is an accounting concept, while cash flow is the actual movement of money. 2. Development (30 minutes) a. Cash Flow Activities - Explain the three main categories of cash flow activities: - Operating activities: Cash generated from day-to-day operations (sales, expenses, etc.) - Investing activities: Cash used for investing in assets (property, equipment, etc.) - Financing activities: Cash obtained from or repaid to investors and creditors (loans, equity, dividends, etc.) - Provide examples of each type of activity: Use real-world examples to illustrate each category. b. Preparing a Basic Cash Flow Statement - Introduce the cash flow statement: Explain that it is a financial statement that shows the inflows and outflows of cash during a specific period. - Explain the indirect method: Briefly explain how the indirect method is used to calculate cash flow from operating activities. - Demonstrate a simple cash flow statement: Use a hypothetical business to create a basic cash flow statement on the board. - Start with net income. - Add back non-cash expenses (depreciation, amortization). - Adjust for changes in current assets and liabilities. - Calculate cash flow from operating activities. - Include investing and financing activities. - Determine the net increase or decrease in cash. 3. Exercise (5 minutes) – True or False Questions - Profit is the same as cash flow. - A business can have a profit but still face cash flow problems.



	<ul style="list-style-type: none">- Investing activities always result in cash outflow Collect responses and discuss the answers.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016)3. Homework<ul style="list-style-type: none">- What is the importance of cash flow for a business?- Explain the difference between cash and profit.- Give two examples of operating activities. Spend 5 minutes to wrap up and consolidate the learnings
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Cash Flow Spend 5 minutes to evaluate student assimilation of the lesson contents



Lesson Plan No. 2.3	Course Name: Management Accounting Topic: Importance and limitation of cash flow statement	Course No.: BCMMJ- 501
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Objectives	At the end of the lesson the student shall be able to: a. Understand the concept of cash flow and its significance in business. b. Explain the importance of a cash flow statement. c. Identify the limitations of a cash flow statement. d. Prepare a basic cash flow statement. e. Analyze a cash flow statement to assess a company's financial health.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	1. Introduction (5 minutes) - Present a real-world scenario of a profitable company facing bankruptcy due to cash flow issues. - Define cash flow: Explain the concept of cash inflow and outflow. - Introduce the cash flow statement: Define it as a financial statement that summarizes the amount of cash generated and spent 2. Development (30 minutes) a. Importance of Cash Flow Statement - Liquidity assessment: Explain how the cash flow statement helps assess a company's ability to meet short-term obligations. - Profitability vs. cash flow: Differentiate between profit and cash flow, emphasizing that profitability doesn't necessarily equate to cash availability. - Investment decisions: Discuss how cash flow analysis aids in investment and financing decisions. - Performance evaluation: Explain how the cash flow statement helps evaluate management's efficiency in generating cash. b. Limitations of Cash Flow Statement - Non-cash items: Explain that non-cash items (depreciation, amortization) are excluded from the cash flow statement. - Timing issues: Discuss the potential for manipulation of cash flows through timing of transactions. - Subjectivity: Explain that some estimates and judgments are involved in preparing the cash flow statement. 3. Exercise (5 minutes) – Multiple Choice Questions a. Cash flow is: A) The same as net income B) The movement of cash into and out of a business C) A measure of a company's profitability b. Which of the following is NOT a primary cash flow activity? A) Operating activities B) Investing activities C) Marketing activities c. A cash flow statement is primarily used to:



	<p>A) Evaluate a company's profitability A) Assess a company's liquidity A) Determine a company's solvency d. Non-cash expenses, such as depreciation, are:</p> <p>A) Added back to net income when calculating cash flow from operating activities B) Subtracted from net income when calculating cash flow from operating activities C) Ignored when preparing a cash flow statement e. A decrease in accounts receivable would typically:</p> <p>A) Increase cash flow from operating activities B) Decrease cash flow from operating activities C) Have no impact on cash flow Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none"> 1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Suggested Reading <ul style="list-style-type: none"> - Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016) 3. Homework- Short Answer Questions <ul style="list-style-type: none"> - Explain the difference between cash flow and net income. - Why is it important to analyze cash flow in addition to net income? - Briefly describe the three main sections of a cash flow statement. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none"> 1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss. 2. Quiz on Cash Flow <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 2.4	Course Name: Management Accounting Topic: Accounting standard (AS) 3	Course No.: BCMMJ- 501
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Objectives	At the end of the lesson the student shall be able to: <ol style="list-style-type: none"> Understand the concept of cash flow and its importance in business. Explain the objectives of AS 3. Identify the classifications of cash flows under AS 3. Prepare a cash flow statement in accordance with AS 3. Analyze a cash flow statement to evaluate a company's financial health.
Teaching Aids (if any)	<ol style="list-style-type: none"> PPT White board
Teaching Development	<ol style="list-style-type: none"> Introduction (5 minutes) <ul style="list-style-type: none"> Discuss a real-world example of a company that went bankrupt despite profitability. Define cash flow: Explain the concept of cash inflow and outflow. Introduce AS 3: Explain the purpose of the standard and its relevance in financial reporting. Development (30 minutes) <ol style="list-style-type: none"> Objectives of AS 3 <ul style="list-style-type: none"> Explain the primary objective of AS 3: to provide information about the cash flows of an enterprise during a period. Discuss the secondary objectives: improving the comparability of cash flow information and providing a basis for assessing the ability of an enterprise to generate cash and meet its obligations. Classification of Cash Flows <ul style="list-style-type: none"> Explain the three main categories of cash flows under AS 3: <ul style="list-style-type: none"> Operating activities Investing activities Financing activities Provide examples of each category and discuss the rationale behind the classification. Preparation of Cash Flow Statement <ul style="list-style-type: none"> Explain the indirect method of preparing a cash flow statement. Demonstrate the preparation of a cash flow statement using a hypothetical example. Highlight the importance of disclosures required under AS 3. Analysis of Cash Flow Statement <ul style="list-style-type: none"> Discuss the importance of analyzing cash flow statements. Introduce key ratios for cash flow analysis. Explain how to use cash flow information to assess a company's liquidity, solvency, and financial performance. Exercise (5 minutes) – True or False Questions <ul style="list-style-type: none"> Depreciation is a cash outflow. Investing activities always result in cash outflow. A company with positive net income will always have positive cash flow. The indirect method of preparing a cash flow statement is more complex than the direct method.



	<ul style="list-style-type: none">- Cash flow from operating activities is the most important section of the cash flow statement. <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016)3. Homework-<ul style="list-style-type: none">- Define cash flow.- What are the three main categories of cash flows under AS 3?- Explain the difference between cash basis and accrual basis accounting.- What is the significance of cash flow from operating activities?- How can a cash flow statement be used to assess a company's financial health? <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Cash Flow <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 2.5	Course Name: Management Accounting Topic: Accounting standard (AS) 3	Course No.: BCMMJ- 501
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Objectives	At the end of the lesson the student shall be able to: a. Understand the concept of cash flow and its importance in business. b. Explain the objectives of AS 3. c. Identify the classifications of cash flows under AS 3. d. Prepare a cash flow statement in accordance with AS 3. e. Analyze a cash flow statement to evaluate a company's financial health.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	1. Introduction (5 minutes) - Discuss a real-world example of a company that went bankrupt despite profitability. - Define cash flow: Explain the concept of cash inflow and outflow. - Introduce AS 3: Explain the purpose of the standard and its relevance in financial reporting. 2. Development (30 minutes) a. Objectives of AS 3 - Explain the primary objective of AS 3: to provide information about the cash flows of an enterprise during a period. - Discuss the secondary objectives: improving the comparability of cash flow information and providing a basis for assessing the ability of an enterprise to generate cash and meet its obligations. b. Classification of Cash Flows - Explain the three main categories of cash flows under AS 3: - Operating activities - Investing activities - Financing activities - Provide examples of each category and discuss the rationale behind the classification. c. Preparation of Cash Flow Statement - Explain the indirect method of preparing a cash flow statement. - Demonstrate the preparation of a cash flow statement using a hypothetical example. - Highlight the importance of disclosures required under AS 3. d. Analysis of Cash Flow Statement - Discuss the importance of analyzing cash flow statements. - Introduce key ratios for cash flow analysis. - Explain how to use cash flow information to assess a company's liquidity, solvency, and financial performance. 3. Exercise (5 minutes) – True or False Questions - Depreciation is a cash outflow. - Investing activities always result in cash outflow. - A company with positive net income will always have positive cash flow. - The indirect method of preparing a cash flow statement is more complex than the direct method.



	<ul style="list-style-type: none">- Cash flow from operating activities is the most important section of the cash flow statement. <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016)3. Homework-<ul style="list-style-type: none">- Define cash flow.- What are the three main categories of cash flows under AS 3?- Explain the difference between cash basis and accrual basis accounting.- What is the significance of cash flow from operating activities?- How can a cash flow statement be used to assess a company's financial health? <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Cash Flow <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 2.6	Course Name: Management Accounting Topic: Cash Flow from operating activities	Course No.: BCMMJ- 501
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Objectives	At the end of the lesson the student shall be able to: a. Understand the concept of cash flow from operating activities. b. Differentiate between cash basis and accrual basis accounting. c. Learn the indirect method of calculating cash flow from operating activities. d. Analyze cash flow from operating activities to assess a company's financial health.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Present a real-world scenario of a profitable company facing liquidity issues.- Define cash flow from operating activities: Explain that it represents the cash generated or used by a company's core business operations.- Differentiate between cash basis and accrual basis accounting: Explain how cash basis accounting focuses on cash transactions while accrual basis accounting recognizes revenue and expenses when earned or incurred, regardless of cash receipt or payment.2. Development (30 minutes)<ol style="list-style-type: none">a. Indirect Method of Calculation<ul style="list-style-type: none">- Explain the indirect method: Describe the process of starting with net income and adjusting it to determine cash flow from operating activities.- Identify adjustments: Discuss common adjustments such as depreciation, amortization, gains/losses on disposal of assets, changes in current assets and liabilities.- Demonstrate calculation: Use a hypothetical example to illustrate the calculation of cash flow from operating activities using the indirect method.b. Analysis of Cash Flow from Operating Activities<ul style="list-style-type: none">- Importance of cash flow from operating activities: Explain how it reflects a company's ability to generate cash from its core business.- Key indicators: Discuss ratios like cash conversion cycle, operating cash flow to current liabilities ratio.- Cash flow trends: Explain the importance of analyzing cash flow trends over time.3. Exercise (5 minutes) – True or False Questions<ol style="list-style-type: none">1. A company with positive net income will always have positive cash flow from operating activities.2. The indirect method is more commonly used than the direct method for calculating cash flow from operating activities.3. Inventory purchases are classified as operating activities. <p>Collect responses and discuss the answers.</p>



Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016)3. Homework- A company reported net income of Rs.100,000 for the year. Additional information includes:<ul style="list-style-type: none">• Depreciation expense: 20,000• Increase in accounts receivable: 15,000• Increase in inventory: 10,000• Increase in accounts payable: 8,000<p>Calculate cash flow from operating activities using the indirect method.</p><p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Cash Flow <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 2.7	Course Name: Management Accounting Topic: Cash Flow from Financing activities	Course No.: BCMMJ- 501
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Objectives	At the end of the lesson the student shall be able to: a. Understand the concept of cash flow from financing activities. b. Identify the types of transactions included in cash flow from financing activities. c. Prepare the cash flow from financing activities section of a cash flow statement. d. Analyze cash flow from financing activities to assess a company's financial health.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	1. Introduction (5 minutes) - Discuss a real-world scenario of a company raising funds to expand its operations. - Define cash flow from financing activities: Explain that it represents the cash raised from and repaid to investors and creditors. 2. Development (30 minutes) a. Types of Transactions - Identify financing activities: Explain the types of transactions included in cash flow from financing activities, such as issuing stocks, issuing bonds, repaying loans, paying dividends, repurchasing shares. - Provide examples: Give real-world examples of each type of transaction. b. Preparing the Cash Flow Statement - Demonstrate the process: Show how to calculate net cash provided by (used in) financing activities using a hypothetical example. - Highlight important points: Emphasize the importance of classifying transactions correctly and providing necessary disclosures. c. Analysis of Cash Flow from Financing Activities - Interpreting cash flow from financing activities: Explain how to analyze cash flow from financing activities to assess a company's financial health and dependence on external financing. - Relationship with other activities: Discuss the relationship between cash flow from financing activities and cash flow from operating and investing activities. 3. Exercise (5 minutes) – Multiple Choice Questions Cash flow from financing activities primarily relates to: A) Cash generated from operations B) Cash used for investments C) Cash raised from and repaid to investors and creditors Issuing new shares of stock is classified as: A) Operating activity



	<p>B) Investing activity C) Financing activity Repurchasing shares of common stock is classified as:</p> <p>A) Operating activity B) Investing activity C) Financing activity Paying dividends to shareholders is classified as:</p> <p>A) Operating activity B) Investing activity C) Financing activity</p> <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading - Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016)3. Homework- A company has the following financing activities during the year: Issued common stock for \$200,000 Repaid a bank loan of \$150,000 Paid dividends of \$50,000 Calculate the net cash provided by (used in) financing activities. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Cash Flow <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 2.8	Course Name: Management Accounting Topic: Cash Flow from Investing Activities;	Course No.: BCMMJ- 501
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Objectives	At the end of the lesson the student shall be able to: a. Understand the concept of cash flow from investing activities. b. Identify the types of transactions included in cash flow from investing activities. c. Prepare the cash flow from investing activities section of a cash flow statement. d. Analyze cash flow from investing activities to assess a company's financial health.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Discuss a real-world scenario of a company investing in new equipment or acquiring another company.- Define cash flow from investing activities: Explain that it represents the cash used in or provided by the company's investments in long-term assets and other businesses.2. Development (30 minutes)<ol style="list-style-type: none">a. Types of Transactions<ul style="list-style-type: none">- Identify investing activities: Explain the types of transactions included in cash flow from investing activities, such as purchase of property, plant, and equipment, sale of property, plant, and equipment, purchase of investments, sale of investments, loans to other entities.- Provide examples: Give real-world examples of each type of transaction.b. Preparing the Cash Flow Statement<ul style="list-style-type: none">- Demonstrate the process: Show how to calculate net cash used in (provided by) investing activities using a hypothetical example.- Highlight important points: Emphasize the importance of classifying transactions correctly and providing necessary disclosures.c. Analysis of Cash Flow from Investing Activities<ul style="list-style-type: none">- Interpreting cash flow from investing activities: Explain how to analyze cash flow from investing activities to assess a company's investment strategy and its ability to generate returns on investments.- Relationship with other activities: Discuss the relationship between cash flow from investing activities and cash flow from operating and financing activities.3. Exercise (5 minutes) – A company has the following investing activities during the year:<ul style="list-style-type: none">• Purchase of equipment for 200,000• Sale of land for 150,000• Purchase of investments in another company for 50,000Calculate the net cash used in (provided by) investing activities



	Collect responses and discuss the answers.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016)3. Homework- What are the main cash inflows from investing activities? What are the main cash outflows from investing activities? How does cash flow from investing activities impact a company's growth and profitability? Spend 5 minutes to wrap up and consolidate the learnings
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Cash Flow <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 2.9	Course Name: Management Accounting Topic: Preparation of Cash Flow Statement According to AS-3 (Indirect Method Only)	Course No.: BCMMJ- 501
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Objectives	At the end of the lesson the student shall be able to: a. Understand the concept of cash flow and its importance in business. b. Explain the objectives of AS-3. c. Identify the classifications of cash flows under AS-3. d. Prepare a cash flow statement using the indirect method. e. Analyze a cash flow statement to evaluate a company's financial health.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Discuss a real-world example of a company facing financial difficulties despite profitability.- Define cash flow: Explain the concept of cash inflow and outflow.- Introduce AS-3: Explain the purpose of the standard and its relevance in financial reporting.2. Development (30 minutes)<ol style="list-style-type: none">a. Objectives of AS-3<ul style="list-style-type: none">- Explain the primary objective of AS-3: to provide information about the cash flows of an enterprise during a period.- Discuss the secondary objectives: improving the comparability of cash flow information and providing a basis for assessing the ability of an enterprise to generate cash and meet its obligations.b. Indirect Method of Cash Flow Statement<ul style="list-style-type: none">- Explain the indirect method: Describe the process of starting with net income and adjusting it to determine cash flow from operating activities.- Identify adjustments: Discuss common adjustments such as depreciation, amortization, gains/losses on disposal of assets, changes in current assets and liabilities.- Demonstrate calculation: Use a hypothetical example to illustrate the calculation of cash flow from operating activities using the indirect method.c. Preparing the Cash Flow Statement<ul style="list-style-type: none">- Structure of the cash flow statement: Explain the three main sections: operating, investing, and financing activities.- Demonstrate the preparation: Use a hypothetical example to prepare a complete cash flow statement using the indirect method for operating activities.- Highlight important points: Emphasize the importance of classifying transactions correctly and providing necessary disclosures.d. Analysis of Cash Flow Statement<ul style="list-style-type: none">- Discuss key ratios: Introduce relevant ratios for cash flow analysis, such as cash coverage ratio and cash flow to sales ratio.- Identify trends: Explain how to analyze cash flow trends over time to assess a company's financial health.



	<p>3. Exercise (5 minutes) – True or False Questions</p> <ul style="list-style-type: none">- The indirect method is more commonly used than the direct method for preparing cash flow statements.- Depreciation is a cash outflow.- An increase in accounts payable increases cash flow from operating activities.- The cash flow statement provides information about a company's profitability. <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- Accounting for Managers by M.E Thukaram Rao, New Age international Publisher, 8th (2016)3. Homework-<ul style="list-style-type: none">- What is the purpose of preparing a cash flow statement?- Explain the difference between cash basis and accrual basis accounting.- What are the three main sections of a cash flow statement? <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Cash Flow <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>