

# **Certificate in Management Accounting**

## Syllabus

### **1: Foundations of Management Accounting**

- Nature & Scope: Role of management accounting vs. financial accounting; decision support function
- Cost Concepts: Fixed vs. variable costs; direct vs. indirect; product vs. period costs
- Cost Behaviour: Variable, fixed, mixed, and step costs; cost drivers
- Financial Statements for Managers: Contribution format income statement; segment reporting

### **2: Cost Management & Analysis**

- Costing Methods: Job order costing; process costing; activity-based costing (ABC)
- Absorption vs. Variable Costing: Impact on inventory valuation and profitability
- Marginal Costing: Contribution margin; breakeven analysis; margin of safety
- Relevant Costing: Make-or-buy; add/drop a segment; special order decisions
- Lean & Standard Costing: Variance analysis (material, labor, overhead)

### **3: Budgeting & Forecasting**

- Master Budget: Operating budget; financial budget; budgeted financial statements
- Budgeting Approaches: Incremental vs. zero-based; top-down vs. participative; rolling forecasts
- Flexible Budgets: Static vs. flexible budget variance analysis
- Cash Budgeting: Cash inflows/outflows; short-term financing needs
- Forecasting Techniques: Time series; regression analysis; qualitative methods

### **4: Performance Measurement & Control**

- Responsibility Accounting: Cost center; profit center; investment center
- ROI & Residual Income: Calculation, interpretation, and limitations
- Economic Value Added: NOPAT; weighted average cost of capital (WACC)
- Balanced Scorecard: Financial, customer, internal process, learning & growth perspectives
- Key Performance Indicators: Financial vs. non-financial metrics; benchmarking

### **5: Financial Decision Making**

- Capital Budgeting: NPV, IRR, payback period, discounted payback, profitability index
- Cost of Capital: Cost of debt, equity, and WACC
- Pricing Decisions: Cost-plus pricing; target costing; market-based pricing
- Transfer Pricing: Market-based, cost-based, negotiated, and dual pricing
- Working Capital Management: Cash conversion cycle; inventory, receivables, payables management

## **6: Strategic Management Accounting**

- Strategic Cost Management: Value chain analysis; strategic positioning
- Lifecycle Costing: Product lifecycle phases and cost implications
- Target Costing: Market-driven cost reduction
- Kaizen Costing: Continuous improvement in cost reduction
- Customer Profitability Analysis: Segment profitability; customer lifetime value (CLV)

## **7: Risk Management & Internal Controls**

- Enterprise Risk Management: COSO framework; risk identification, assessment, and mitigation
- Internal Control Systems: Preventive vs. detective controls; control environment
- Fraud Prevention: Red flags; whistleblower policies; forensic accounting basics
- Business Continuity Planning: Disaster recovery; risk mitigation strategies

## **8: Data Analytics & Technology in Management Accounting**

- Data Analytics for Accountants: Descriptive, diagnostic, predictive, prescriptive analytics
- Tools & Technologies: Excel (advanced), Power BI, Tableau, SQL basics
- Automation in Accounting: RPA (Robotic Process Automation); AI in finance; ERP systems (SAP, Oracle, Tally)
- Cloud Accounting: SaaS-based financial systems; data security and access controls
- Blockchain & Digital Ledgers: Distributed ledger technology; smart contracts; crypto accounting basics

## **9: Taxation for Decision Making**

- Tax Implications in Business Decisions: Make-or-buy, location decisions, capital investment (depreciation, tax shields)
- Transfer Pricing Compliance: International transactions; arm's length principle; documentation
- Indirect Taxes: Input tax credit; place of supply; impact on pricing
- International Taxation: Withholding tax; DTAA; permanent establishment

## **10: Ethics & Professional Governance**

- Professional Ethics: Ethical Professional Practice; confidentiality, integrity, credibility
- Corporate Governance: Board responsibilities; audit committee; stakeholder management
- Regulatory Compliance: Indian and global standards (Companies Act, SOX basics)