

VEER NARMAD SOUTH GUJARAT UNIVERSITY, SURAT

P.G. Diploma in Internal Audit

Paer V

Financial Management

1. Funds Flow Analysis

Introduction - Meaning of funds flow statement - Meaning of flow of fund - Techniques of fund flow statement - Schedule of working capital changes - Statement of sources and application of funds - Uses of funds flow statement- Limitations of fund flow statement.

2. Cash Flow Statement

Introduction - Techniques of cash flow Statement - Sources and application of cash flow - Preparation of cash flow statement - Uses and limitations of cash flow statement.

3. Ratio Analysis

Meaning of ratio - Utility of ratio analysis - Uses and limitation of ratio analysis - Classification of ratios, i.e. profitability ratios, activity ratios, financial ratios - Projections through ratios, - Significance of ratios in inter firm comparison.

4. Capital Budgeting

Meaning, of capital budgeting - capital budgeting process - different methods of capital budgeting including its advantages and limitations i.e. pay-back method, urgency method, terminal value method, cost ratio method, equivalent annual cost method.

5. Working capital Management

Definition, importance and limitations of working capital management - preparation of working capital statement - Factors determining working capital - Different methods of working capital i.e. Operating cycle method. cash forecasting method, projected balance sheet method, profit and loss adjustment method.

6. Cost of capital

Concept of cost of capital - importance of cost of capital - Controversial views regarding cost of capita! - Measurement of cost of capita! - Cost of debt capital - cost of preference share capital - cost of debt capital - Cost of preference share capital - Cost of equity share capital - Cost of retained earning - weighted average cost capital.

7. Accounting for decision -making

The concept of differential cost - Cost profit volume analysis and its applications (except key factor).

8. Treasury Management

Basic concept relating to treasury management.