

## : COST AND MANAGEMENT ACCOUNTING - 2

---

### Course Outcome:

#### 1. Knowledge:

- Identify and explain the assumptions underlying Cost-Volume-Profit (CVP) analysis.
- Define and discuss the uses of CVP analysis in managerial decision-making.
- Describe the concept of break-even analysis and calculate the break-even point for a given scenario.

#### 2. Comprehension:

- Compare and contrast the different types of budgets used in cost and management accounting, including functional budgets for operating and nonoperating functions.
- Interpret and analyze the information presented in a cash budget for a business.

#### 3. Application:

- Prepare a functional budget for operating and nonoperating functions based on relevant data and assumptions.
- Develop a cash budget for a specific period considering various inflows and outflows of cash.
- Create a flexible budget for a business, taking into account different levels of activity and corresponding costs.

#### 4. Analysis:

- Evaluate the effectiveness of Zero-Based Budgeting (ZBB) in comparison to traditional budgeting methods.
- Analyze the impact of different cost structures on the break-even point and profitability of a business.

#### 5. Synthesis:

- Propose recommendations for improving the budgeting process in an organization, considering the advantages and disadvantages of different budgeting techniques.
- Design a comprehensive cost-volume-profit analysis for a company to assist in decision-making and strategic planning.

#### 6. Evaluation:

- Assess the financial health and performance of a company using CVP analysis and budgeting techniques.
- Critically evaluate the relevance and accuracy of budgeting information in supporting management decisions and achieving organizational objectives.