

Master of Technology
Construction Project Management

Accounts and Finance Management

01CP0109

Objective of the Course:

Objectives of introducing this subject at second year level in civil branches are:

- To learn basic concept of accounting and financial management
- To understand regarding the accounting terms and process.
- To learn about financial management for any organization.

Credits Earned: 3

Course Outcomes

After completion of this course, student will be able to

- Students will be able to use basic principles of accounting in Construction Project.
- Students will relate the financial statements of the project with Cash flows and Project bills.
- Implement various techniques of financial analysis.
- Develop the Cost Planning, Budgeting and appraisal of project with the help of Cash flows and estimates.

Teaching and Examination Scheme

Teaching Scheme (Hours)			Credits	Theory Marks			Tutorial/ Practical Marks		Total Marks
Theory	Tutorial	Practical		ESE (E)	IA	CSE	Viva (V)	Term work (TW)	
3	0	0	3	50	30	20	25	25	150

Detailed Syllabus:

Sr. No	Topic name	Hours
1	Introduction to Project Finance	6
	Definition, Capital and Revenue, financial accounting, cost accounting, management accounting, financial management Principles, book of entry.	
2	Project Accounting	10
	Methods of recording and reporting site accounts to project office and from project office to head office, Income statements, Balance sheets, Preparation of bills.	
3	Accounting Process	10
	GAPP, double entry system, book keeping system, journal, ledger, cash book, trial balance, final account, provision and reserves, depreciation accounting, preparation of profit and loss account and balance sheet as per companies act, 1956, interpretation of financial statements.	
4	Financial Management	8
	Financial statement analysis, ratio analysis, fund flow, cash flow analysis, source of finance. Estimating working capital needs and factors affecting it, financing working capital needs, sources, procedures and practice in construction industry, break even analysis.	
5	Budgeting and Taxation	8
	Corporate taxing and tax planning, joint ventures, financial packaging of project. Introduction. Cost Planning, Cost Budgeting and Cost Control. Estimation of project cost. Cost appraisal of project. Project cash flow analysis and planning. Value engineering in cost validation.	
		42

Suggested Theory distribution:

The suggested theory distribution as per Bloom's taxonomy is as per follows. This distribution serves as guidelines for teachers and students to achieve effective teaching-learning process

Distribution of Theory for course delivery and evaluation					
Remember	Understand	Apply	Analyze	Evaluate	Create
10%	10%	20%	20%	30%	10%

Instructional Method and Pedagogy:

At the start of course, the course delivery pattern, prerequisite of the subject will be discussed.

1. Prerequisite of the course and its pattern shall be discussed on the commencement of the course.
2. Lectures shall be conducted in class room using various teaching aids.
3. Presence in all academic sessions is mandatory which shall carry 5% marks of the total internal evaluation.
4. At the end of each unit/topic an assignment based on the course content shall be given to the students which shall carry 5% weightage for timely completion and submission of the assigned work.
5. The laboratory experiments are planned in such a way that it covers the practical aspects of the course contents. The performance of these experiments shall bring the clarity of the theoretical concepts which the students have studied during the academic sessions.

Recommended Study Material

Reference Books:

1. Bhattacharya S.K. and John Dearden, "Accounting for Management", Vani Educational Books, Bombay.
2. Mott C.H., "Accounting and Finance Management for Construction Vol. I", John Wiley, New York.
3. EPPS B.G. and Whiteman D.E., "Cost Accounting for Construction Firms", John Wiley, New York.
4. Corniman D., "Construction Management: Planning & Finance", Construction Press, London.
5. Danny Myers, "Construction Economics: A New Approach", Taylor and Francis Publisher, 2004.
6. Ofori, G, "The Construction Industry Aspects of its economics and Management", Singapore University Press, 1990.