

- a. Liquidity ratios
 - b. Solvency ratios
 - c. Profitability ratios
 - 4. Limitations of financial analysis
- II. Statement of cash flows
 - A. Primary purpose
 - B. Classification of cash flows
 - C. Significant non-cash activities
 - D. Cash flows from operating activities
 - 1. Direct method
 - 2. Indirect method
 - E. Preparation of statement
 - 1. Direct method
 - 2. Indirect method
 - F. Using cash flows to evaluate a company
- III. Accounting information and managerial decisions
 - A. Traditional financial information vs. nonfinancial information
 - B. Knowledge management tools
 - 1. Data and knowledge warehouses
 - 2. Enterprise resource planning systems
 - 3. Electronic data interchange
 - C. Users of accounting information
 - 1. External users
 - 2. Internal users
 - D. Functional areas of management
 - E. Role of managerial accountant
 - F. Decision-making model
 - G. Relevant factors
 - 1. Relevant costs

- 3. Cash budget
- C. Budgeted financial statements
 - 1. Manufacturing companies
 - 2. Non-manufacturing companies
- D. Non-financial budgets
- E. Static versus flexible budgets
- XI. Variance analysis a tool for cost control and performance evaluation
 - A. Standard costing
 - B. Flexible budgeting with standard costs
 - 1. Sales volume variance
 - 2. Flexible budget variance
 - 3. Sales price variance
 - C. Variable manufacturing cost variances
 - 1. Direct material variance
 - 2. Direct labor variance
 - 3. Variable overhead variance
 - D. Fixed overhead variances
 - E. Overhead variance analysis using ABC
 - F. Selling and administrative expense variance
 - G. Interpreting and using variance analysis

REQUIRED TEXTBOOK AND MATERIAL:

The textbook and other instructional material will be determined by the instructor