

B.COM SEM - IV
MJC- 5 (BUSINESS FINANCE)
TOPIC - FUNCTIONS OF CONTROLLER

Functions of Controller

A controller is a key financial executive in an organization responsible for supervising accounting activities, financial reporting, and internal financial control. The controller works under the chief financial officer (CFO) and ensures that financial operations are carried out efficiently and according to established policies and legal requirements. The primary objective of the controller is to provide accurate financial information for planning, control, and decision-making.

1. Financial Planning and Budgeting

One of the major functions of a controller is to assist management in financial planning. The controller prepares budgets, forecasts future financial requirements, and coordinates departmental budgets. This helps management allocate resources efficiently and achieve organizational goals.

2. Accounting and Record Keeping

The controller supervises the maintenance of proper accounting records. This includes recording financial transactions, maintaining books of accounts, and ensuring that accounting principles and standards are followed accurately.

3. Preparation of Financial Statements

The controller is responsible for preparing financial statements such as the profit and loss account, balance sheet, and cash flow statement. These reports provide essential information about the company's financial position and performance.

4. Cost Control and Cost Analysis

The controller analyzes production and operational costs to ensure efficient utilization of resources. Through cost control techniques, the controller helps management reduce unnecessary expenses and improve profitability.

5. Internal Control System

Establishing and maintaining an effective internal control system is an important function of the controller. This includes monitoring financial

procedures, preventing fraud, safeguarding assets, and ensuring compliance with company policies.

6. Financial Reporting and Analysis

The controller prepares periodic financial reports and analyzes financial data to support managerial decisions. Variance analysis and performance evaluation help management identify strengths and weaknesses.

7. Tax Planning and Compliance

The controller ensures that the organization complies with tax laws and regulations. Proper tax planning helps minimize tax liability while avoiding legal penalties.

8. Coordination with Management

The controller acts as a link between accounting departments and top management. By providing timely financial information, the controller assists managers in planning, controlling, and decision-making processes.

9. Audit Coordination

The controller coordinates with internal and external auditors by providing necessary financial information and ensuring transparency in financial reporting.

10. Safeguarding Company Assets

Through financial supervision and control procedures, the controller helps protect company assets from misuse, loss, or fraud.

In conclusion the controller plays a vital role in maintaining financial discipline within an organization. By managing accounting systems, controlling costs, preparing reports, and ensuring compliance, the controller supports effective financial management and organizational success. Thus, the controller is essential for sound financial planning and control in modern business organizations.