



# Management Accounting

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**Budgeting**

**Forecasting**

**Planning**

**Performance  
Analysis**

**Management  
Accounting**

*AccountingCapital.com*

**Problem  
Solving**

**Cost  
Accounting**

**Cause and  
Effect**

**Decision  
Making**

# Management Accounting

**Meaning:** It comprises of two words, Management + Accounting i.e., accounts which increase managerial efficiency or providing all those information and facts which are necessary for managers.

**Definitions:** According to Cost and Management Accounts, London, "Management Accounting is concerned with the presentation of professional knowledge and abilities to reveal accounting information which may help to the management in policy formulation, planning and control for the undertakings."



# Functions of management Accounting

- Provides data
- Modifies data
- Communication
- Analyses and interprets data
- Serves as a means of communicating
- facilitates control
- Uses also qualitative information
- To assist in Planning
- To assist in Organizing
- Decision-Making
- To assist in motivation
- To Coordinate
- To Control



# Scope of Management Accounting

1. Financial Accounting
2. Cost Accounting
3. Budgeting Forecasting
4. Data processing
5. Internal Auditing
6. Tax Reporting
7. Financial Analysis
8. Inventory Control
9. Revaluation Accounting
10. Statistical Methods
11. Taxation
12. Method and Procedures
13. Interim Reporting
14. Office Services
15. Other Services



# Key Differences Between Managerial and Financial Accounting

## Managerial Accounting

vs.

## Financial Accounting

- Cost Accountant
- Budget Analyst
- Accounting Manager
- Cash-Management Accountant; Fixed-Assets Accountant

**Common  
job titles**

- Financial Accountant
- Auditor
- Financial Manager
- Controller
- Financial Analyst

- Bachelor's degree
- Master's degree optional but desired

**Education  
required**

- Bachelor's degree
- Master's degree optional but desired

Certified Management Accountant (CMA) is encouraged but not required

**Certifications**

Certified Public Accountant (CPA) licensure is preferred

Internal, Future-Focused

**Focus**

External, Past-Focused

- Departmental reports
- Sales reports
- Inventory reports

**Types of  
reports**

- Balance sheet
- Income statement
- Cash flow statement

THANK YOU