

# MANAGEMENT ACCOUNTING

B.Com Hons Part - III

TOPIC - Meaning of Management Accounting

By - DEEPA KUMARI

P.G. Dept. of Commerce & Business  
Management

H.D. JAIN COLLEGE, Ara, Bhojpur,  
Bihar - 802301

# Meaning of 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.

Management accounting is a branch of accounting which concern with supplying relevant information to managers at appropriate time to enable them to take decision in organisation.

It is the process of accounting which generates accounting information from financial and cost accounting and provides essential information to decision makers both inside and outside the business organisation.

It provides the information to all level of management for planning, controlling and decision making.

Management accounting is the presentation of accounting information in such a way as to assist management in the creation of policy and the day to day operation of an undertaking.

Management accounts links management with accounting as any accounting information required control of decision making by the management.

From the above discussion, we can conclude that it is the process of identifying, measuring, analyzing, interpreting and communicating accounting information to the required person to achieve organisational goal. It involves the presentation & use of accounting information for planning and controlling the operation of business.