

MANAGEMENT ACCOUNTING

B.Com Hons Part - III

TOPIC - Distinction between cost accounting
and Management accounting

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Distinction between Cost Accounting And Management Accounting

① Meaning :-

In cost accounting the recording, classifying and summarising of cost data of an organisation is known as cost accounting whereas the accounting in which the both financial and non-financial information are provided to managers is known as Management accounting.

② Information type :-

In cost accounting information are quantitative in nature whereas the information are quantitative as well as qualitative in nature in management accounting.

③ Objective :-

In cost accounting ascertainment of cost of production whereas in mgt. accounting providing information to managers to set goals and forecast strategies.

④ Scope :-

Cost accounting is concerned with ascertainment, allocation, distribution and accounting aspects of cost whereas management accounting is concerned with

impact and effect aspect of costs.

- ⑤ **Specific Procedure :-**
In cost accounting specific procedure is followed while in management accounting specific procedure is not followed.
- ⑥ **Recording :-**
Records past and present data in cost accounting while in management accounting it gives more stress on the analysis of future projections.
- ⑦ **Planning :-**
In cost accounting short range planning is followed whereas in management accounting short range and long range planning is followed.
- ⑧ **Interdependency :-**
In cost accounting it can be installed without management accounting while in management accounting it cannot be installed without cost accounting.