

Section - 4

Ans 1 Management Accounting Nature and scope
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Management Accounting Nature and scope?
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. Thus, it relates to the use of accounting data collected with the help of financial accounting and cost accounting for the purpose of policy formulation, planning, control and decision-making by the management.

Nature of Management Accounting:

- Technique of selective nature
- Provides data and not the decisions
- Concerned with future
- Analysis of different variables
- No set formats for information.

Scope of Management Accounting?

The scope of Management accounting is very wide and broad-based. It

Includes all Information which is provided to the management for financial analysis and interpretation of the business operations.

- Financial Accounting:
- Cost Accounting
- Budgeting and Forecasting
- Cost Control Procedures
- Reporting
- Methods and Procedures
- Tax Accounting
- Internal Financial Control
- Interpretation
- Advice services
- Evaluating the Performance of the Management