Meaning of Management Accounting

→ Any form of Accounting which enables a business to be conducted more efficiently can be regarded as management Accounting.

→ Management Accounting is the application of professional knowledge and skill in the preparation of accounting information in such a way as to assist management in the ~~and~~ information of policies and in the planning and control of operations of understanding.

Accounting is concerned with:

Recording → Book Keeping

Analyzing

forecasting

The income and wealth of enterprises.

Book Keeping ↓ Keeping a record of the transaction entered into by a business during a particular period.

Difference between Book Keeping and Accounting

Basis of Difference	Book keeping	Accounting
Nature	• It is concerned with identifying financial transaction measuring them in necessary term, recording and classifying them.	• It is concerned with summarizing the recorded transaction and communicating the result. This scope is quite wide.
Objective	• It is to maintain systematic records of financial transactions	

~~function~~ function.	It is to record business transaction. So its scope is limited	It is the recording classifying summarizing ~~independency~~ to independing business transaction and communicating the result thus its scope is quite wide
Basis:.	Voucher and other supporting documents are necessary as evidence to record the business transaction	Book keeping words as the basis for accounting information.
level of knowledge	It is enough to have elementry knowledge of accounting to do book keeping	for accounting advanced and indepth knowledge.
Relation.	Book keeping is the fixed step to accounting	Accounting begins where bookkeeping ends.