

Comparison of financial and managerial accounting

[Business](#), [Accounting](#)



Financial accounting refers to accounting and oversight of the companies have completed a comprehensive system of campaign funds, that the external economic stakes of investors, creditors and the government departments concerned and enterprises to provide economic information of the financial position and profitability as the main target carry out economic activities.

Financial Accounting is an important foundation work of modern enterprises, through a series of accounting procedures, provided useful information for decision-making, and actively participate in management decisions, improve the economic efficiency of enterprises, service in the healthy and orderly development of the market economy. Management accounting, also known as " internal report accounting", it means: to present and future campaign funds, to enhance economic efficiency for the purpose of internal managers provide the scientific basis for management decision-making as the goal of economic management activities.

Popular financial accounting is the total company accounting processes, cost accounting is the part of management accounting is a financial accounting calculation based on future projections of the company. In economic management, accounting work is an important part of one is closely linked to the effective operation of economic and accounting work. Comparison of management accounting and financial accounting for the study of accounting work in-depth research and analysis.

Overview of management accounting and financial accounting Management Accounting Management Accounting refers to the conditions of market

economy, to strengthen management within the organization, organize the best value for money as the ultimate goal, to organize business activities and value of performance as an object through the financial aspects information on deep-processing and re-use, in order to achieve the accounting branch of the process of economic forecasting, decision-making, planning and control functions.

Financial Accounting Financial Accounting refers to the currency as the primary unit of measurement of the transactions or events that have taken place in the organization the use of specialized recognition and measurement at the same time as the main form of financial accounting reports regularly to the organization of different economic stakeholders provide external accounting information accounting.

Second, the comparison of management accounting and financial accounting To a better understanding of management accounting and financial accounting, the links and differences between management accounting and financial accounting are discussed below: A. Contact management accounting and financial accounting Financial accounting and management accounting on the functional objectives and data sources are the same as the two basic content of the modern accounting.

Both from the same mother, complementary, indivisible. Financial accounting, fixed accounting procedures and methods, production and business activities within a certain period of time and the results formed by the registration books, and other information. This information not only can be applied to the outside, can also be applied internally.

Management accounting by the financial accounting information processing, making it the management accounting information, so as to improve the internal management services, at the same time provide the necessary conditions for the accounting supervision. Management accounting and financial accounting functions of the target mainly through the provision of information for enterprises and other organizations to provide a full range of consulting services, in order to effectively improve management, promote cost-effective upgrade. the difference between management accounting and financial accounting From the perspective of the service object, the organization's internal management accounting services to the enterprise management requirements is met in the daily management of the particular circumstances, to collect the data to the managers of the organization's internal management and control information to improve the management level of enterprises and other organizations, and thus the management accounting can be called internal accounting.

Financial accounting is the focus summarized by the periodic preparation of financial statements of enterprises and organizations such as asset valuation, capital structure and operating results are described, in order to provide the necessary information to the external unit or individual enterprises and other organizations, and thus can be said external accounting. From the perspective of the work focused on the object of study of management accounting and the issues to be addressed is the design of different aspects of the future organization of production and management, economic activity should occur Paper Union [www. wlm. com](http://www.wlm.com) finishing expected evaluation, management accounting information in accordance

with the development of management programs for the management of the organization. Financial accounting is reflected in the economic activities of enterprises and other organizations, its focus is the historical description of all the economic activities of enterprises and other organizations, which means that after the occurrence of the operation and management activities, credited to the accounting records.

From the perspective of the main body of work, management accounting body of work is a multi-level, enterprises and other organizations not only as a principal, you can also enterprises and other organizations within the local or individual departments as a body of work, even a work management links the main day-to-day economic activities as a body of work, control, evaluation and assessment.

Financial accounting body of work is usually the case there is only one level, the level of enterprises and other organizations as a unified whole to reflect the only main asset valuation and financial status, and so concentrated reflection and outline, and does not involve specific local problems. In addition, also constraint mechanism of the management accounting and financial accounting, accounting methods, accounting procedures, the concept of orientation, the degree of precision, time p, as well as information on characteristics of distinction.

Third, management accounting and financial accounting applications Analysis can be drawn from the Management Accounting and Financial Management contrast, an important part of management accounting and financial accounting are the overall accounting system. Management

Accounting in the content usually by the driver of financial and accounting needs, In other words, the relationship and difference between management accounting and financial accounting to determine the management accounting and financial accounting in the application process should continue to optimize the communication and coordination between the two .

Communication and coordination of management accounting and financial accounting to meet the enterprises and other organizations need to improve management effectiveness, to meet the information needs of different enterprises and organizations such as external users of information to avoid unnecessary waste. For example, in the daily accounting of the financial accounting, through the use of variable costing convenient convergence of management accounting and financial accounting easy to manage, establish and improve the confirmation of the financial accounting basis and measurement mode, to reduce the management accounting workload, work with coordination and communication of financial accounting. In short, management accounting and financial accounting, while under the different areas of accounting, but both have a specific relationship between them in the application process, the inevitability and necessity of coordination and communication.

In short, is essentially the difference between management accounting and financial accounting. Specific applications should be concerned about the difference between the two at the same time concerned about the link between the two, constantly improve in practical work, whether it is from

both theory and reality has a strong role to promote the enhancement of the organization and management efficiency. Financial Accounting:

Accounting personnel in money as the basic unit of measurement, recognition, measurement, recording, reporting, mainly for enterprises to external stakeholders, past and present financial position, results of operations and changes in financial position ', and comprehensive intervene in the internal of the business, an economic management activities.

Management Accounting: Focuses on the internal operation and management services. It uses a flexible and diverse ways and means to properly optimize management decisions, and provide useful information for the management of the enterprise.

The difference between brief management accounting and financial accounting Focus Financial Accounting: the focus is on the preparation of the financial statements on a regular basis according to the daily business records, registration books, to businesses outside the economic interest groups, individuals report the financial position and operating results, the specific objectives for enterprise outside services financial accounting can be called " external accounting".

Management Accounting: the focus is on analysis of specific problems of business management, in order to provide the information needed to predict decision-making and control assessment information to internal managers at all levels, the specific objectives for internal management services, management accounting can be referred to as " internal accounting".

Second, the different levels of the main body of work

Financial Accounting: The body of work often have only one level, mainly across the enterprise for the body of work, which can adapt to the financial accounting, with particular emphasis on the integrity reflect the requirements to supervise the entire economic process, and not miss any accounting elements of the accounting entity. Management Accounting: the body of work can be divided into multi-level, either the main body of the entire enterprise, the enterprise within the local area or individual departments can be even a management aspects as the main body of the work. Third, the role of aging,

Financial Accounting: The role of aging is to reflect the past, from an emphasis on the principle of objectivity, or adhere to the principle of historical cost, can only reflect the actual occurrence of the economic and business. Therefore, financial accounting is essentially a reimbursement-type accounting " considered as a " doubtful debts ". Management accounting: the role of aging is not limited to the analysis of the past, but also in the dynamic use of financial accounting information to predict and plan for the future, while controlling the now, which ps the past three present and future tenses.

Management Accounting for the future role of aging in the first place, while the analysis of the past in order to control and better guide future Therefore, management accounting is essentially belong to the count of " live account " management accounting". Principles, standards Financial Accounting: Working to strictly abide by the " Enterprise Accounting Standards" and the industry a unified accounting system, to guarantee the comparability of consistency in the provision of financial statements in time and space.

Management Accounting: from the "Enterprise Accounting Standards" and the industry a unified accounting system complete restrictions and strict constraints, can be flexible in the work of predictive science, cybernetics, information theory, decision-making principles of modern management theory as a guide. Recently, the experts pointed out: with the Xing of the financial shared service center, the small business pro-gaze accounting matters, financial software upgrading of traditional financial accounting urgent need for transformation, there will be more than 80% of the finance staff to change jobs or facing re-employment .

The rise of the financial shared service center Substantial reduction of the traditional financial accounting Financial shared service center in recent years, and popular accounting and reporting, business management. It will be different countries, regional entities and accounting business to get the SSC (Shared Service Center) to accounting and reporting. DELL various regions in China have sales outlets, these outlets just a sales team and service personnel, the order's headquarters is located in Xiamen standard unified business, finance can be shared to Xiamen.

Therefore, the rise of the financial shared service center will greatly reduce the financial and accounting officers of large and medium-sized enterprises. Strategy: turn to the small and medium-sized enterprises. Small business pro-gaze firm Accounting operations will be outsourced Turned to small and medium-sized enterprises is not wise. First, small businesses, "stall, poor efficiency and financial needs, two, three accounting is sufficient. Another is that small companies do not set financial positions. Outsourcing to the

management of the firm up quick and easy to view reports on a regular basis can save time, save money! Strategy: turn to accounting firms. Financial software upgrading Accounting firm is also a block alkali salt Seems to turn to the accounting firm is the last choice. As everyone knows, due to the ever-changing high-tech, high-end financial software constantly upgrading, which requires 4, 5 individuals accounted for accurately, a set of software can be more accurate than artificial accounting. Cost far less than the overall costs of the accounting staff.

The accounting firm nor the last place to go! Question: traditional accounting go? Receded into the background of traditional financial accounting Management Accounting hotshot (CMA) Traditional financial accounting (CPA) focus on accounting, auditing, reporting, high-speed development of the market has not kept pace, a significant reduction it is inevitable. Contrary to the audit, accounting budget, decision-making is the scope of management accounting. Management accounting (CMA) focus on prediction, decision-making, planning, control and evaluation.

CPA accounting of wealth, the CMA to create wealth, enterprises need to CMA's behind the military counselor. In 2009, the State Foreign Experts Bureau U. S. Certified Management Accountant (CMA) was introduced into China, and to authorize the excellent fiscal first training institutions. Are marked with the CMA's success in the Chinese enterprises in the use and promotion of foreign invested enterprises, the central level, state-owned enterprises and other large and medium-sized well-known enterprises in the recruitment of financial executives, " holds a CMA preferred. Excellent fiscal

CMA students, Wister Finance Manager Ms. Wang said: learning CMA found that management accounting knowledge is far more than financial accounting, is more practical. Tsinghua University (microblogging), Professor Yu Zengbiao: management accounting talent gap of 3 million, management accounting will become a popular and sought-after talent! Old P3 + P1 = CMA As of June 30 registration of 220 U. S. dollars

Recently: American Institute of Management Accountants (IMA), release of information: the IMA headquarters decided to extend the final deadline of the Chinese examination system of the old Gang access to the August 31, 2012, June 30th registration will be provincial examination fee of 220 dollars in July to registration on August 31, will pay U. S. \$ 125 examination fee. The first official training institutions excellent fiscal exclusive launch of the old P3 + P1 = the CMA, four-door variable 2, spend less, the cycle is short, easy to by

About gifted fiscal: Excellent fiscal CMA Training Center is the first professional organization committed to the training of management accounting. 2009, excellent fiscal become the world's largest Institute of Management Accountants Institute of Management Accountants (IMA) authorized the first national strategic partner in China for three consecutive years by the IMA Headquarters granted the title of " Greater China, the best CMA training institutions, for three consecutive years of first place in the CMA exam pass rate!

Excellent fiscal has the most outstanding exclusive contract faculty, provides students with a large number of local real Case Studies. Up to now, more

than 90% of the CMA candidates from excellent financial, breakthrough success of the excellent fiscal CMA Training Center, (Beijing) the CMA5000 test exceeded 2000 people, close to 1, 000 people have already received the certificate students to complete their studies students read CMA.