

Management accounting critique essay

[Business](#), [Management](#)



Question: 1 Mini Project topic: Introduction to Management Accounting. You are the person in charge of the management accounting department of a manufacturing company. You are required to mentor your junior of the staff on the essentials of the management accounting in the following areas: (Note: you may need to create an illustration to elaborate the following matters).

(A) Explain how cost can be classified by their behaviour, with particular reference to the effects both on total and on unit costs. Your report should:

i) Say why it's necessary to classify costs by their behaviour and (ii) Be

illustrated by sketch graphs within the body of the report. (B) Cost

classification used in management accounting include: (i) Product costs (ii)

Period costs (iii) Direct costs (iv) Indirect costs Explain each of those

classification, with examples of the type of costs that may be included. (C)

Distinguish between, and provide an illustration of what constitute a “ cost

unit” and a “ cost centre”. Question: 2 Mini Project topic: Essentials of

Management Accounting A) Management accounting is the application of

professional knowledge and skill in the preparation and presentation of

information to all levels of management in the organization structure.

The source of such information is the financial and cost accounting. The

information is intended to assist management in its policy and decision-

making, planning and control activities. You are required to explain to your

senior management of how the provision of management accounting

informations can create sustainable SUCCESS in an organization. B)

Materials constitute a significant part of the manufacturing costs of an

organization and therefore it is essential that proper control and accounting

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procedures be exercised in all aspects of the materials control system in the areas of: * Initial ordering and purchases * Inspection of materials * Storage * Stock control * Inventory stock-taking In relation to the above 5 integrated areas of material control system, you are required to explain the purposes, procedures & related documentation required so that material purchased is the most suitable for the intended purpose of usage and cost-effectiveness.