

Budget efficiency for cost control purposes in management accounting system

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Abstract

© 2014, Mediterranean Center of Social and Educational Research. All rights reserved. The article reviews the economical essence of budgeting in management accounting system. Budgeting represents the higher level of business development and allows focusing on long-term results, effective use of financial resources, business activities supervising, assists in making sound and timely managerial decisions. Budgeting helps to effective cost management and financial performance of the organization, allows you to compare all the planned costs and anticipated revenues for the coming period.

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Keywords

Budgeting, General production cost budget, Labor budget, Managerial decisions, Purchasing budget