# THE IMPACT OF MANAGEMENT ACCOUNTING PRACTICES ON FINANCIAL PERFORMANCE OF LISTED COMPANIES

IN SRI LANKA



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By

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A Project Report

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#### ABSTRACT

This study examines the Impact of Management Accounting Practices on Financial Performance of listed companies in Sri Lanka. In the current business market, Management Accounting practices are very important as well as compulsory for the companies. The researcher has decided to study the listed companies which are existing in Sri Lanka.

The objective of this study is to examine the impact of Management Accounting Practices on Financial Performance of listed companies in Sri Lanka. In addition to the relationship between Management Accounting Practice and Financial Performance of the listed companies in Sri Lanka is also analyzes as well as the researcher has identified what extent do the listed companies use the Management Accounting Practices for their business activities in Sri Lanka.

Listed companies in Sri Lanka are 285 out of 100 listed companies were selected as sample. According to the findings, descriptive statistic was highest mean value for Financial Statement Analysis therefore it has high level counting practices. Budgeting Practices, Working Capital Management Practices, Practicing Management Information System have high level Management Accounting Practice.

Between the Financial Statement Analysis and Financial Performance have high positive relationship. Between Budgeting Practice and Financial Performance have high positive relationship. Between Working Capital Management Practice and Financial Performance have a high positive relationship. Between Performance Evaluation Practice and Financial Performance have a high level of positive relationship. Between Practicing Management Information System and Financial Performance have a high level of positive relationship.

**Keywords**: financial statement analysis, budgeting practices, working capital management practices, performance evaluation, practicing management information system, financial performance.

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