

Management Accounting Reporting Practices among Chinese Enterprises: A Compliance Analysis

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ABSTRACT

This study examines the management accounting reporting practices based on the management accounting guidelines among the enterprises in China. Using questionnaire survey on the enterprises in China in the province of Xian, the results show that the level of management accounting reporting practices among the Chinese enterprises is still low and not in accordance with the requirements of the application guidelines. The results also show that half of the enterprises failed to comply with the requirements of the guidelines, an indication that in the process of practice, there are inconsistencies between theoretical understanding and practical practice. However, most enterprises have a positive attitude towards the preparation of management accounting reports, and agreed with the importance and significance of the preparation of reports mentioned in the practices guidelines. In addition, this study also shows that the enterprises that prepared the management accounting report adhere to the requirements of the guidelines. Specifically, the number of enterprises preparing operation management accounting reports is the largest, while the number of enterprises preparing strategic reports is the smallest. The findings in this study implicate that enterprises that have not prepared the management accounting report should pay more attention to management accounting reporting. This study sheds some lights to the policy makers on the level of management accounting reporting practices and instils awareness to enterprises on the importance of preparing such reports by giving guidance and assistance after issuance of guidelines.

Keywords: management accounting guidelines, reporting, enterprises, China.