

**MANAGEMENT ACCOUNTING PRACTICE OF LOCAL  
AUTHORITY IN UVA PROVINCE**



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## ABSTRACT

Local Authorities in Uva province have developed strongly and contributed to increasing GDP. Local Authorities plays a significant role in the growth of society as a whole, as well as in the stability and improvement of people's daily lives. However Local Authorities have found difficulties on the way to development due to lack of management experience and financial resources. This research examine the Extent of Management Accounting Practice in Local Authorities in Uva Province. The objective of this study (1) To identify the level of Management Accounting practices used in Local Authorities, (2) To evaluate the Management Accounting practices used in each sectors of Local Authority in Uva province. The research framework of study consists of four variables which are used to measure the level of Management Accounting Practice respondents. Those are Budgetary Practice, Cost Volume Profit Analysis, Quantitative Techniques and Working capital Management.

The study was conducted by among 120 officers Local Authorities in Uva province. This structured questionnaire was administrated to collect the data from respondents. The collected data were analyzed by using univariate analysis, (Descriptive measure, such as mean, median standard deviation) cross tabulation.

The results of the study showed that there is a high level of Management Accounting Practice but CVP Analysis and Quantitative Techniques showed moderate level among the Local Authorities in Uva province. High level of Management Accounting Practices showed in each sectors but urban council has high level of Management Accounting Practices other than other sectors and Pradeshiya shabha showed less practice among the sectors. Finding of the study will be important and useful for officers of Local Authorities on exploring empirical knowledge regarding the concept of Management Accounting Practices.

**Key Words:** Management Accounting Practice, Local Authorities, Uva province.

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