



Management Accounting

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Practical Class #17

Agenda

01

THEORETICAL RECAP

The Budgeting Process

02

EXERCISE 55

Industrex Company



01

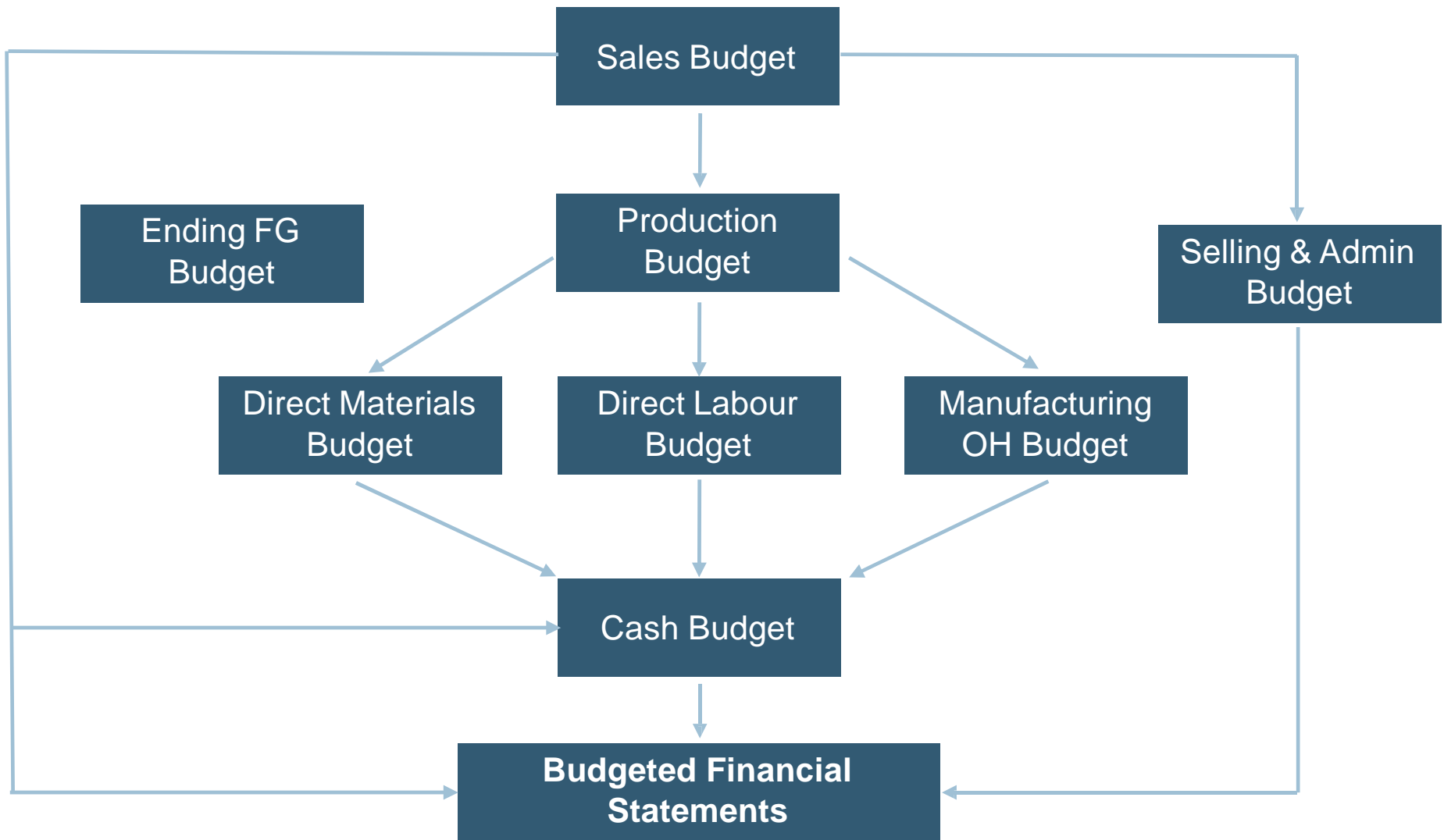
Theoretical Recap

The Budgeting Process

Planning & Control– The Budgeting Process

- Most businesses have **more than one budget** each relates to a specific area of the business.
- The individual budgets are **summarized in a master budget**

Master Budget: a **detailed** and **comprehensive** planning document for the entire organization. It incorporates the **Budgeted P&L, Budgeted Balance Sheet** and **Cash Budget**



02

Exercise 55

Industrex Company

Notes on Balance Sheet

Accounts Receivable (contas a receber)

money a company's customers owe for goods or services they have received but not yet paid for --> is a current asset

Accounts Payable (contas a pagar)

the amount that a company owes to its creditors and suppliers --> is a current liability