

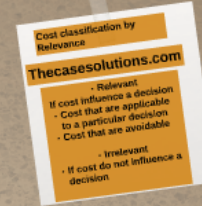
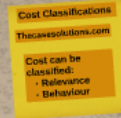
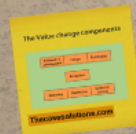


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### Managerial Decision

- Individuals make decisions.
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- Owners evaluate organizational and managerial performance with accounting information.

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**Conclusion**

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# MRC's House of Cards





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**Cost Classifications**  
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Cost can be classified:

- Relevance
- Behaviour

**Cost classification by Relevance**  
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- Relevant
  - If cost influence a decision
  - Cost that are applicable to a particular decision
  - Cost that are avoidable
- Irrelevant
  - If cost do not influence a decision

**Cost classification by Behaviour**  
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cost behaviour refers to how a cost will react to changes in the level of business activity

- Fixed cost
- Variable cost
- Mixed cost

**Managerial decision in cost accounting**  
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- The Value Chain describes a set of activities that transforms raw materials and resources into the goods and services and users purchase and consume.
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**Conclusion**

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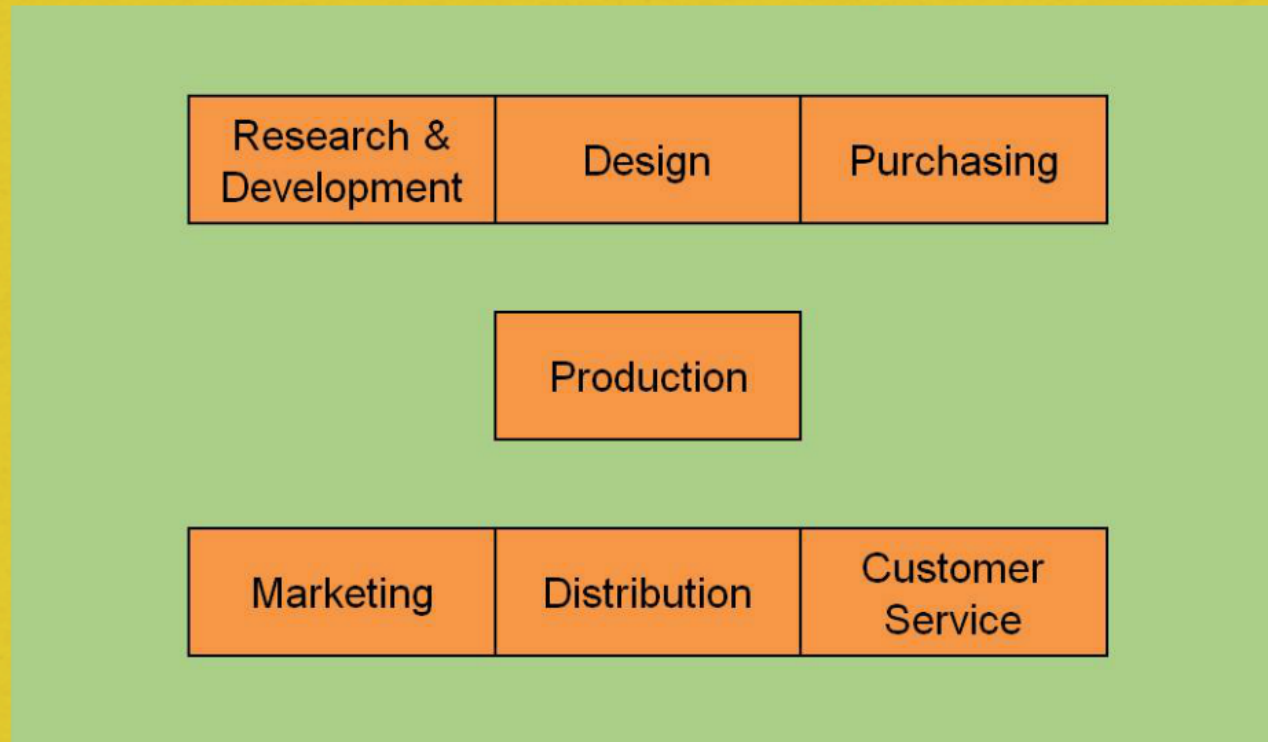
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# The Value change components

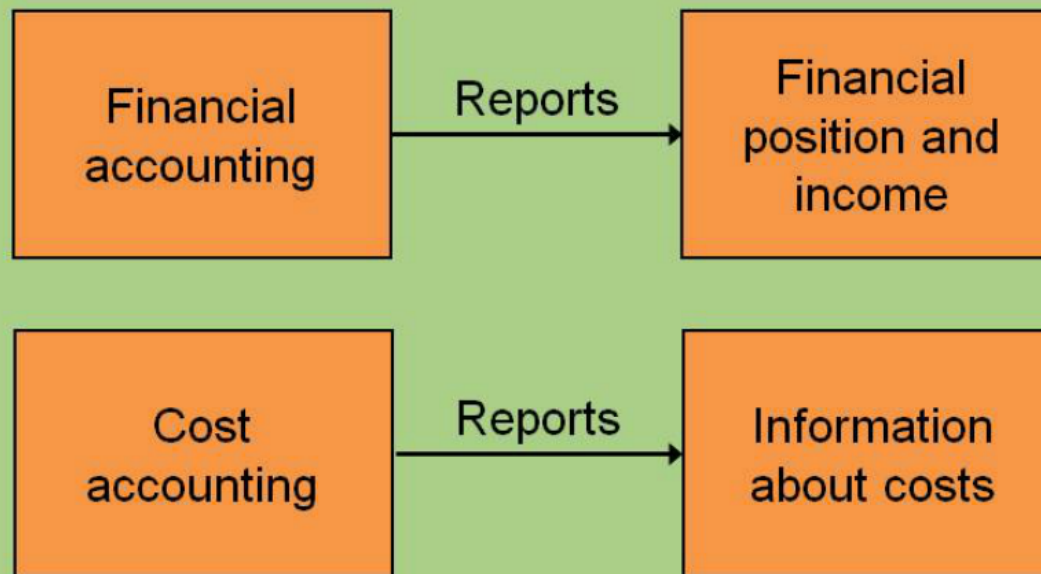


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# Accounting System

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