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**MANAGEMENT ACCOUNTING PRACTICES AND FINANCIAL PERFORMANCE OF
COCA-COLA HEADQUARTERS IN MOGADISHU-SOMALIA**

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ABSTRACT

The general objective of this study was to investigate the relationship between management accounting practices and financial performance of Coca-Cola headquarters in Mogadishu-Somalia. The study was conducted on three specific objectives; (i) to investigate the relationship between costing system and financial performance (ii) to examine the relationship between budgeting and financial performance (iii) to examine the relationship between strategic management accounting and financial performance. The study adopted correlation research design. The target population for this study was 71 and sample size of the study was 60. Stratified random sampling method was applied, since the population in different departments was considered heterogeneous, implying that a simple random sample is unrepresentative. The study collected primary data from the respondents. And used a quantitative approach. Quantitative data is a numerical measurement expressed in terms of numbers. Analysis was done using Statistical Package for Social Sciences (SPSS). The study found that there is relationship between costing and financial performance of Coca-Cola company ($r= 0.339$, $N=60$, $p<0.001$). The study further found that budgeting was associated with financial performance ($r= 0.428$, $N=60$, $p<0.001$). And also found there was positive relationship between strategic management accounting and financial performance ($r= 0.514$, $N=60$, $p<0.001$). Furthermore, a stepwise multiple regression analysis revealed that the three independent variables that were studied, explain 22.5% of the factors affecting financial performance of Coca-Cola headquarters, Mogadishu-Somalia. This therefore means that other factors not studied in this research contribute 77.5% influence on financial performance of Coca-Cola headquarters, Mogadishu-Somalia. This study recommended that there is a need of awareness and understanding costing systems and strategic management accounting in order to improve the financial performance of the of Coca-Cola headquarters, Mogadishu Somalia.