Annotation

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**The role of management reporting in the formation of enterprise information flow**

The increasing role of information in the business management involves the need of searching for the ways to systematize the process of its formation. Moreover, such information for a user should be filtered and organized and this process, in turn, involves the implementation of management reporting in the enterprise activity.

The research made it possible to determine the concept “management reporting” as the system of processing and compilation for internal users in all areas of business management.

Three levels of processing information are suggested: planning, control and analytical review. At the planning level planning and normative values are defined used for identifying abnormalities. This will ensure the formation of intrafarm payments with the implementation of the structure principle on the deviations. The control level is provided by business internal services or by carrying out certain systematic procedures to implement requirements for reliability and accuracy of information. Analytical review is used for calculation of the system of indicators which characterize the certain area of activity. The processed information should be prepared for users’ needs by means of intrafarm (management) reporting.

The suggested pattern of the management reporting can be used for information flow formation at any level of management with the difference in structure and content of prepared reporting. Thus, these reports can be drawn up on all the segments of the ordinary enterprise activity.

For higher managerial staff the reports are presented through balanced scorecard system with key indicators of effectiveness. At each next level management data will be presented in more details for operative decision making.

**Keywords:** management, management reporting, information flows, business segments, responsibility centers.