

System of Accounting

Date:

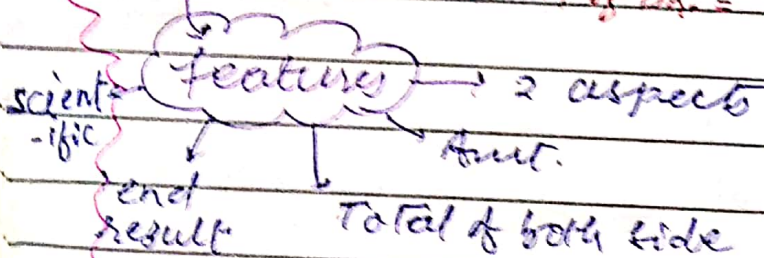
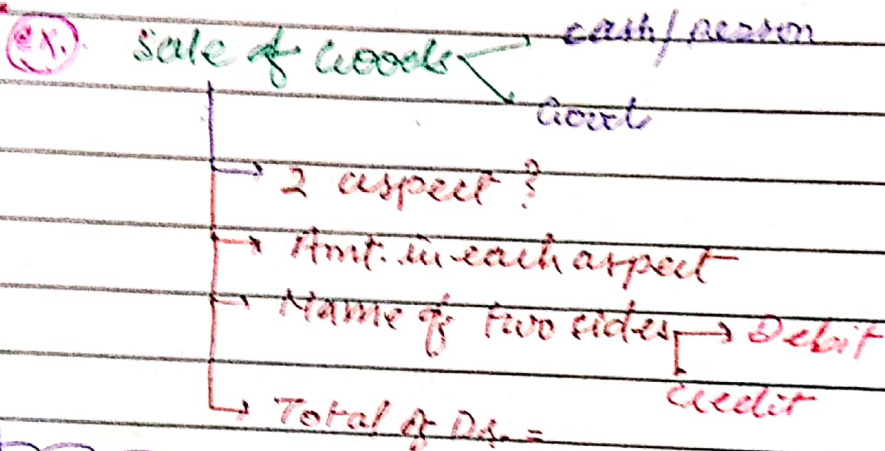
P. No:

Double-Entry System

Single-Entry System

meaning → Double-Dual/2
system → Entry

meaning - a system of recording dual-(both/2) aspects/view of B.T.



Who maintain D.E.S.

- all business organisation
- Co. Act 2013
- valid in court

Advantages

- complete record of B.T.
- Determine Profit/Loss
- Determine Fin. position
- help management in decision making

Characteristics / Features of Accounting:

→ Identification of B.T.

P. No:

→ Recording

→ Classifying

→ Summarising

Objectives of Accounting

→ maintain Accounting Record

→ Determine Profit or Loss

→ Determine financial position

→ Facilitating management

Advantages of Accounting

→ Replace memory

→ Financial information about Business

→ Evidence in court

→ Facilitate comparative study

Accountancy → meaning → systematic knowledge of accounting

• Theory + Practical knowledge

Accounting information → meaning → It means financial statements prepared

use → through the process of accounting

category

→ help user to take decision

→ information about Profit

→ financial position

cash flow

owners

management

employees

Bank & financial institution

creditors

Govt.

Users of Accounting information

Internal

External

Investors