

chapter 1st
accounting

Q, Explain the meaning of book-keeping?

Ans- Book-keeping is formed from two words Book+Keeping. Book refers to various accounting books and registers in which various types of business transactions are recorded. bookkeeping is an art and science of recording business transactions in book of account.

Q. Define book-keeping.

Ans - J.R. Batliboi- " book-keeping is the Science as well as art of recording business transactions under appropriate accounts."

Q. Explain meaning of accounting?

Ans- accounting is the language of business. accounting is an art of recording, classifying, summarising and interpreting of business transactions which are capable of being expressed in monetary terms, in a systematic manner and on a continuous basis.

class 11

Account

chapter 1

Q. Explain the characteristics of accounting?

Ans-(1). Identification of financial transactions and events--- only those transactions and events are included in accounting which can be measured in money or are capable of being expressed in monetary terms.

(2). Recording-- the business transactions and events are recorded in the books of account by following certain rules and principles. the transactions are initially recorded in journal or subsidiary books.

(3). classifying-- after recording transaction in general and subsidiary books, the transactions are classified. the process of bringing a particular type of transaction at a particular place in the form of an account is known as classification.

(4). summarising-- summarising refers to presentation of accounting information to various interested parties so as to understand and utilise them for taking various decisions.

Q. Explain the objectives of an accounting?

Ans-- (1)To know the profit and loss--- the main objective of accounting is to determine the profit and loss at the end of the financial year.

(2). To know the financial position of the business--- accounting provides information about business Assets and liabilities. the information of Assets and liabilities are known from balance sheet.

(3). proper recording of transactions-- the another object of accounting is to maintain transactions of a specific accounting period in books of accounts in chronological order and in organised and systematic way.

Q. explain the importance or significance of accounting under different topics?

Ans-- Advantages to businessman

1. Helpful in tax determination-- for payment of income tax and sales tax it is necessary that the accounts of business be properly maintained according to the rules and principles of accounting, so that adequate amount of tax would be paid.
2. Evidence in court-- the books of accounts has been properly maintained according to rules and principles, then they can be produced as an evidence in the court as and when required.

Advantages to government

1. knowledge of financial position of government undertaking-- the government receives the information about profitability and financial position of its undertaking by the help of books of accounts.
2. knowledge of national progress-- the government can gather the information and data of various industries and business working in the country and can analyse the industrial development of the country.

Advantages to investors

an investor before making investment decisions in any organisation, analysis the financial position of the concern and decides whether to invest or not.

advantages to employees

the employees after going through the accounts of the organisation can take decisions as regards to their remuneration, bonus etc.

class 11th

chapter 1 Introduction of accounting

Q. Explain the meaning of accounting?

Ans- Accounting is a language of business. accounting is an art of recording, classifying, summarising and interpreting of business transactions which are capable of being expressed in monetary terms in a systematic manner.

Q Explain the meaning of book keeping?

Ans- Book keeping in the first stage of accounting. It is the combination of two words that is book + keeping. The term book refers to the book of accounts in which business transactions are recorded while the term keeping means recording of business transactions in a systematic and proper manner in the books of accounts.

Q what are the characteristics of bookkeeping?

Ans-1. book keeping it a science as well as an art.

2. it records business transactions.
3. search records are quite Systematic.
4. all the transactions relating to the business which can be measured in term of money.
5. the monetary effect of the transactions shown in record of book keeping.

Q Explain accounting is an art as well as science?

Ans- Accounting is an art-- art is a technique which helps us in achieving our desired goal in the best possible manner. Art is related to the practical use of knowledge and wisdom. It is the way of doing the things in a perfect way. Its guide us for choosing the ideal way for doing any work for achieving the goals.

Accounting is a science-- science refers to systematic, organised and specialised study of knowledge which is based on Universal and certain principal and establishes the relationship between action, causes and effects.

Q what are different types of accounting?

Ans-1. financial accounting.

2. cost accounting.

3. Management Accounting.

4. social responsibility accounting.

5. human resources accounting.

Q. Explain the systems of accounting?

Ans-1. Mahajan system of accounting- it is also known as Indian system of accounting. It is easier and less expensive and adopted by big and small businessman. This method is based on scientific rules as double entry system.

2. cash system- in this system only cash transactions are recorded when the cash is received or cash paid for some work then the transaction is recorded in the books.

3. single entry system-- this is also known as incomplete system of accounting because in this system some transaction are recorded in one form only, some are recorded in both the forms and some are not recorded completely.

4. Double entry system-- this method is fully scientific and universally accepted which has its own rules and principles. According of this all the business transactions are recorded in two aspects that is debit and credit.