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Review Paper- Accounting Analyst in Chartered Accountant Company

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A B S T R A C T

This research paper explores the pivotal role of accounting analysts in Contemporary business landscape, delving into their responsibilities, Skills, and impact on financial decision-making. By examining the Evolving nature of accounting analysis, this study aims to provide Insights into how these professionals contribute to organizational Success, foster sound financial strategies, and navigate the dynamic Challenges of today's financial environments. The paper synthesizes Current literature, industry practices and case studies to offer a Comprehensive understanding of the multifaceted contributions of Accounting analysts in shaping robust financial frameworks for Businesses.

Keywords: Financial Reports, Data Analysis, Audit Support

1. INTRODUCTION

An accounting analyst plays a crucial role in the financial health and decision making processes of an organization. Tasked with interpreting complex financial data, these professionals bridge the gap between raw numbers and strategic business decisions. Their responsibilities encompass financial statement analysis, budgeting, forecasting, and risk management. With a keen eye for detail and a solid understanding of accounting principles, accounting analysts contribute valuable insights that guide key stakeholders in making informed financial decisions. In this introduction, we will explore the pivotal functions, skills, and significance of accounting analysts in today's dynamic business landscape.Accounting analysts analyze financial data to provide insights and recommendation to improve business performance. They use accounting principles and software to prepare financial reports, track expenses and revenue, and identify trends in financial data. Accounting analysts may also be responsible for monitoring budgets, forecasting future financial performance, and assisting with audits. Strong analytical skills, attention to detail, and proficiency in accounting software are essential for success in this role.

Accounting is the system of recording financial transactions with both numbers and text in the form of financial statements. It provides an essential tool for billing customers, keeping track of assets and liabilities, determining profitability, and tracking the flow of cash. The system is largely self-regulated and designed for the users of financial information, who are referred to as stakeholders utilize financial statements to help make business, lending, and investment decisions.

Accounting has several specialized fields and roles. Private accounting generally refers to accountants who work within a single business entity. Small business accountants may assume general roles which require preparing the records and performing bank reconcilations. Accounting professionals are generally divided into three fields: tax, audit, and advisory. The tax field focuses on federal, state, and local tax filings. Audit roles test the validity of financial statements and internal controls. Advisory services perform general financial consulting. Public accounting firms have several different clients, whereas private accounting refers to working for one specific business entity.

II. ABOUT ACCOUNTING

An accounting analysts evaluates public company financial statements. Public companies issue these annual financial statements as required by the security and exchange commission. The statements include the balance sheet, income statement, the statement of cash flows and the notes to the financial statements. Specifically, the notes to the financial statements contain considerable quantitative detail supporting the financial statements along with narrative information.The accounting analyst is a fully qualified paraprofessional position requiring general ledger bookkeeping knowledge and skills. The position serves under general supervision and may exercise partial leadership over clerical staff engaged in processing accounting transactions. Works independently..

Accounting is a system meant for measuring business activities, processing of information into reports and making the findings available to decision-making. The documents, which communicate these findings about the performance of an organization in monetary terms, are called financial statement.

1.1. KINDS OF ACCOUNTING PRINCIPLES

Accounting Concepts	Accounting Conventions
Separate Business Entity Concept	Convention of Materiality
Money Measurement Concept	Convention of Conservation
Dual Aspect Concept	Convention of Consistency
Accounting Period Concept	
Cost Concept	
The Matching Concept	
Realisation Concept	

1.2. OBJECTIVES

1.After going through this lesson, you will be able to

2.Know the meaning and steps of accounting process.

3.Understand the meaning and importance of journal.

4.Know the rules of journalizing.

1.3. JOURNAL

Journal is a historical record of business transactions or events. The word journal comes from the French word “Jour” meaning “day”. It is a book of original or prime entry. Journal is a primary book for recording the day to day transactions in a chronological order. i.e. the order in which they occur. The journal is a form of diary for business transactions. This is called the book of first entry since every transaction is recorded firstly in the journal.

Journal

Date	Particulars	L.F.	Debit (Amount)	Credit (Amount)
(1)	(2)	(3)	(4)	(5)

1.4 BALANCING OF AN ACCOUNT

In business, there may be several transactions relating to one particular account. In journal, these transactions appear on different pages in a chronological order while they appear in a classified form under that particular account in the ledger. At the end of a period, the businessmen will be interested knowing the position of a particular account. This means, he should total the debits and credits of his account separately and find out the net balance. This technique of finding out the net balance of an account, after considering the totals of both debits and credits appearing in the account known as "Balancing The Account ". The balance put on the side of the account which is smaller and a reference is given that it has been carried forward or carried down to the next period.

1.5 ACCOUNTING STANDARDS

The accounting concepts and conventions discussed in the foregoing pages are the core elements in the theory of accounting. These principles, however, permit a variety of alternative practices to co-exist. On account of this the financial results of different companies can not be compared and evaluated unless full information is available about the accounting methods which have been used. The lack of uniformity among accounting practices have made it difficult to compare the financial results of different companies. It means that there should not be too much discreation to companies and their accountants to present financial information the way they like. In other words, the information contained in financial statements should conform to carefully considered standards.

In order to harmonise varying accounting policies and practices, the Institute of Chartered Accountants of India (ICAI) formed the Accounting Standards Board (ASB) in April 1977. ASB includes representatives from industry and government. The main function of the ASB formulate accounting standards. This board of the institute of Chartered Accountants of india has so far formulated around 27 Accounting Standards, the list of these accounting standards is furnished. This type of limitation also existed in UK and USA but it was remedied long back.

Hence, there is an emergent need to make an attempt to develop a conceptual framework and also revise suitably the Indian Accounting Standards to reduce the number of alternative treatments.

2. OBJECTIVES OF ACCOUNTING

1.Checking of the Arithmetical accuracy
2. Basis for financial statements
3. Summarised Ledger

2.1 ADVANTAGES OF ACCOUNTING

1. Facilitates division of work
2. Time and labour saving in journalising and posting
3. Permits the use of specialised skill
4. Permits the installation of internal check system

3. REVIEW OF LITERATURE

A literature review in accounting analysis typically explores existing research, theories, and methodologies related to accounting practices. It covers topics like financial reporting, auditing, tax, and management accounting. Relevant journals include the journal of accounting research and accounting , organizations and society. Scholors like watts and Zimmerman have influenced this field. Ensure your review is comprehensive, highlighting key finding and gaps in the literature to guide your research. Accounting is regarded as one the significant and most important aspect of the contemporary and global business Organizations. With the help of various financial procedures and applications, there can be collection of constructive data for effective decision making in the organization. Financial accounting is regarded as economic management aspects which supports in summarising monitoring as well as recording of the various financial transactions of the companies

The primary aim of financial accounting is to provide particular and specific information to the various stakeholders which comprises of investors, public, creditors, and the government authorities. According to th views of burns and needles the concept of financial accounting was developed in early 1930. With the mutual and shared aspect of accounting as well as globalization. There has been taken place reporting to the external parties, disclosures reforms and recognitions and measurement of the performances as the various important financial principles which helps in regulating the measurement activities in the global accounting. The aspect of financial accounting is directly associated with its several challenges that are faced by the organizational managers.

4. CONCLUSION

The accounting conclusion should be based on through analysis of available data and information, ensuring that it aligns with accounting standards and principles. It’s crucial for accuracy and reliability in financial reporting , decision-making and compliance with regulatory requirements.

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