



## **[Summary]**

### **Introduction to Financial Accounting**

<b>Subject:</b>	Business Economics
<b>Course:</b>	B. A. (Hons.), 1 <sup>st</sup> Semester, Undergraduate
<b>Paper No. &amp; Title:</b>	Paper – 103 Fundamentals of Business and Accounting
<b>Unit No. &amp; Title:</b>	Unit – 2 Introduction to Financial Accounting
<b>Lecture No. &amp; Title:</b>	Lecture – 1 Introduction to Financial Accounting

## **Summary**

Accounting is classified broadly into three categories, Financial Accounting, Cost Accounting and Management Accounting. Financial Accounting is inevitable for any business organization, it deals with recording, classifying and summarizing the business transaction in a systematic way. The books of accounts are to be kept up-to-date, and that is possible by applying the skill and knowledge of accounting. Every Debit has an equal credit is a basic rule of Double entry system of accounting. The accounting principles play an important role in preparation of books of account. They are divided into concepts and conventions. The final accounts is prepared taking into consideration all the concepts and conventions of accounting.