**LINGAYA VIDYAPEETH**

Topic-Basic of Accounting

Principle

**Objective of**

**Assignment**

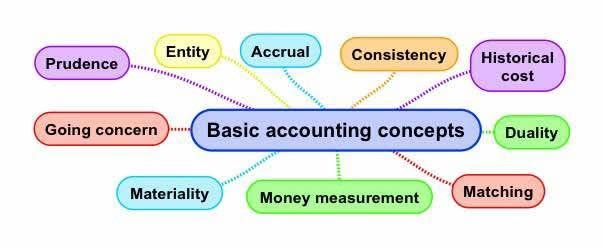
The main objective of the

assignment

is to develop a understanding of the basic principles of accountings in business entity.

*Accounting Principles*.

Accounting concept

Accounting concept are the rules that help in operations run the business smooth.

1.Going concern concept: this concept considered that business will continue to exit for a long period in a future.

2. Consistency concept: this concept state that accounting principles and method should remains consistent in future.

3.Accrual concept: this state that revenue is record when service are renders.

4.Business entity concept: in this business is treated separate legal entity distinct from it owner.

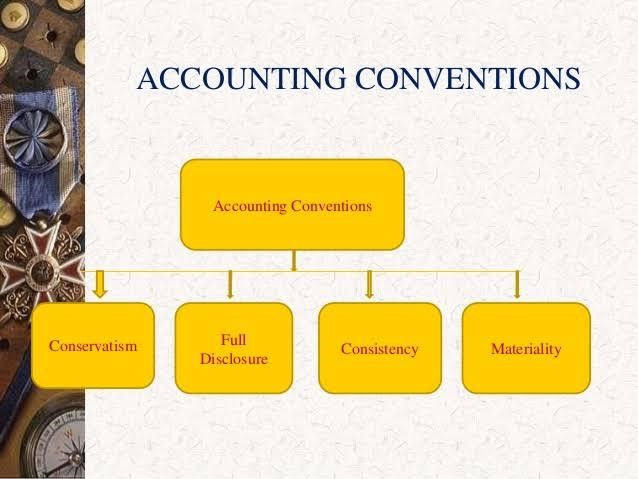
1. Money Major Concept: in this only those event and transactions are record which a major in terms of money.
2. Accounting Period Concept: as per this the entire life of the firm is divided into small intervals. Interval compromise of 12 month.

7.Cost Concept: according to this an asset is record in the book of account at it original cost.

8. Dual Aspect lConcept: every transaction effects at least two account first it debit and other its credit.

# Accounting conventions

Accounting conventions are the general custom that every accountant must accept



1. Convention of Full Disclosure: this concept state that all the information will be record in the book of account.
2. Convention of materiality: this state that all the important information must be record.

3.Convention of conservatism: distalis about all the anticipated lords are record in the book of account but all the future games will ignore.