

A Study of Impact of E-Accounting



Accounting

KEYWORDS : E-Accounting, Task Performance, Accounting Information System

Dr. Jyotsna I. Patel

M.Com., M.Phil., Ph.D., Principal Government Commerce College
Naroda, Ahmedabad

ABSTRACT

The Accounting Act of 1997 and further guidelines issued by the Accounting Board in 2000 provide an institutional setting for the use of electronic data media in financial accounting for registering transferring and storing data as well as reporting information electronically. Thus, source documents and accounting records exist in digital form instead of on paper in electronic accounting system. New technologies, like the Internet and mobile solutions, have provided new business opportunities and operations. E-Accounting is new development in field of accounting. In e-accounting, source documents and accounting records exist in digital form instead of on paper; E-accounting concept is adopted at international level. E-accounting helps business keep their financial data and accounting software in a safe, secure environment, allowing real time access to authorized users, irrespective of their location or computing platform. Therefore this paper is based on Basic Concepts and features of e-accounting, problems of e-accounting have been discussed in the paper comprehensively. This paper is carried out to evaluate the impact of computerized AIS; known as E-Accounting, after the section includes the measures of task performance and adoption and the last section presents the conclusion.

THE CONCEPT:

E- Accounting or Online Accounting is still a new development in field of accounting. It means all business transactions are recorded in online server or data base, just like website or blog or web blog. But for opening or making accounts requires login ID and password provided by accounting service provider. E-Accounting is just in the development age still and we may see its commercial use only. There is large number of companies who started E-Accounting. In E-Accounting the accountants and employer both feel satisfaction because, this is cheap and without software defaults or failure. Business accounts are saved in online server or database, so there is need to record the business transactions manually. By this way big business entity that cross-border coverage can save large amount of money spending on manual books and different accounting software.

CHARACTERISTICS OF E-ACCOUNTING:

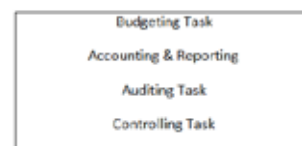
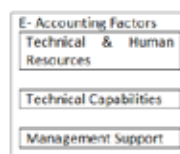
A real online accounting or book keeping service can be recognized by the following characteristics which all make for much efficient accounting process :

1. Multi user access
2. Multi site access
3. Zero system administration for end-users
4. Very economical to provide services to large number of clients
5. A single/ multiple, shared database (s)
6. Enhancements and fixes continuously developed and installed by service provider

There are large number of companies who started E-Accounting. In E-Accounting the accountant and employer both feel satisfaction because, this is cheap and without software defaults or failure. Your accounts saved in online server or database, so there is no need to record manually. By this way we can save large amount of money spending on manual books and different accounting software.

Under E-accounting, professional can make record, accountants can check and audit records as well as editor can make correction in entries, or ledger if there is need so. User of the records can use accounting records for any purpose. There are various accountants can make records and users can them simultaneously. All the records are stored in Web-servers connected with internet. Thus, everyone use them as per their needs and availability of time.

E-ACCOUNTING TASK PERFORMANCE OUTCOME DIMENSIONS



ADVANTAGES OF USING THE COMPUTER IN ACCOUNTING

The most important advantage of using the computer is the speed with which we can get Accounting done. In addition, we find that it is very easy to do accounting functions. Posting to the ledger, a tedious task of double entry, when done directly from the general ledger module, can be largely automated when done through special purpose modules like accountants payable or accountants receivable. With an accounts receivable module, you just need to enter the actual cash totals of items purchased and the software distributes these amounts to the general ledger so they become credits to corresponding revenue accounts. At the same time, an offsetting entry is made automatically to the accounts receivable account.

With a computer, one can receive a balance sheet, income statement or other accounting reports at a moment's notice. We also find that some day to day data entry can be turned over to relatively unskilled workers.

DISADVANTAGES OF USING THE COMPUTER IN ACCOUNTING

When you use a computer, it is possible that data can be lost because of hardware or software damage. Since the computer has no judgment of its own, it does not pick up on errors as a human being does. There can be loss of data due to accidents like fire etc.. There can be loss of data or change of data due to fraud or embezzlement. There can be loss or unavailability of data due to loss of staff. Inaccurate data may be due to clerical error or mistakes in programming. Total security is economically unachievable and some failures must be expected. The right level of expenditure on security measures will minimize the some of the cost of the measures and the expected loss. There will always be some risks that are best shared through insurance, rather than prevented or avoided.

Much computer-related crime is opportunist people who were not seeking any advantage had temptation thrust under their noses. Copies of computer printouts get miss-directed or thrown in waste paper basket in public place. Magnetic tapes from bankrupt companies have been sold with data still on them. Often a programming error reveals a system flaw: someone who by chance reads a magnetic tape file that he should

have been writing discovers interesting data on it.

Sabotage, vandalism, malicious damage and arson tend to be even more destructive than the Acts of God they emulate. Political and industrial action, riots and civil commotions, may not be aimed specifically at the computer but they can be very effective in preventing its operation.

Fraud and embezzlement are usually achieved on a computer system by altering data or programs. There are numerous techniques, varying from additions and deletions to input data through changing the standing information files, modifying the behavior of programs, to duplicating or suppressing output. Although most frauds that have been reported had gone on for some time, it could be that 'one shot' frauds have been more frequent but more often escape detection.

CONCLUSION

In Present years, continuous change and development in the technological field forced a change in the accounting sectors. This change find itself in the execution of activities, recording these activities and auditing record by showing itself through the process of the realization of control. Recording activities in a correct, honest, and time saving manner is extremely important in terms of faithful reflection of the economic status of institutions and making a sound estimate for various aspects of organizations development. At the accounting process that serves this important function, taking advantage of superior technology has become in inevitable necessity for the institutions. In this context, technology – oriented changes in accounting practices, along with 'e-accounting' have been initiated all over the world. Associated initiatives in the public and private sectors in Turkey have been started and continuing throughout the e-accounting applications.

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