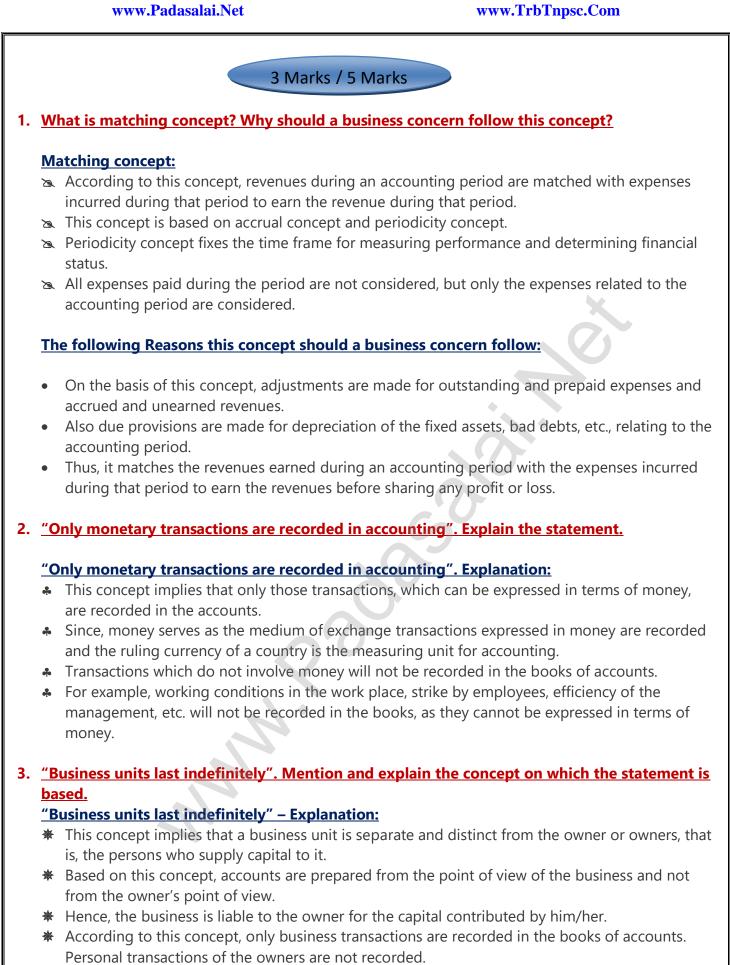


The results of different years will be comparable only when same accounting policies are followed from year to year.



- ✤ But, their transactions with the business such as capital contributed to the business or cash withdrawn from the business for the personal use will be recorded in the books of accounts.
- * It implies that the business itself owns assets and owes liabilities.

4. <u>Write a brief note on Accounting Standards.</u> <u>Note on Accounting Standards:</u>

- Accounting Standards provide the framework and norms to be followed in accounting so that the financial statements of different enterprises become comparable.
- It is necessary to standardise the accounting principles to ensure consistency, comparability, adequacy and reliability of financial reporting.
- Thus, Accounting Standards are written policy documents issued by the expert accounting body or by government or other regulatory body covering the aspects of recognition, measurement, treatment, presentation and disclosure of accounting transactions and events in the financial statements.

Kindly Send me Your Key Answer to Our email id - Padasalai.net@gmail.com