

STD:XI

ACCOUNTANCY

(STUDY MATERIALS )

Page | 1

**NOTES :** There is a chance of asking this difference in 3 marks or 5 marks. By studying all the difference ,surely it will ask one or two difference in public exam.

### 1. Differences between book- keeping and accounting

Basis of distinction	Book – keeping	Accounting
<b>Scope</b>	It is concerned with recording and classifying the business transactions	It is concerned with recording classifying summarising analysing and interpreting the financial data
<b>Stage</b>	Book –keeping is the primary stage in accounting it is the base for accounting	Apart from the primary stage it includes secondary stage of analysis and interpretation
<b>Nature of job</b>	It is routine and clerical in nature	It is analytical in nature
<b>Knowledge required</b>	It requires basic knowledge of the principles of journalising and posting	It requires thorough knowledge of accounting principles procedures and practices
<b>Skill required</b>	Analytical skill is not required for book – keeping	It requires analytical skill

R. MANIKANDAN MCOM.,M.B.A., PGT IN COMMERCE  
SRI VENKATESWARA MATRIC HR.SEC.SCHOOL, ALWARTHIRUNAGAR,

CHENNAI-87

PHONE: 9094033454

## 2. Distinction between journal and ledger

Page | 2

Basis	Journal	Ledger
<b>Recording</b>	As and when transactions take place entries are made in journal	In ledger entries may be posted either on the same day or at the end of a specified period such as weekly or fortnightly especially when subsidiary books are maintained
<b>Stage of recording</b>	Recording in the journal is the first stage	Recording in the ledger is the second stage which is done on the basis of entries made in the journal
<b>Order of recording</b>	Entries are made in the chronological order ie datewise in order of occurrence	Entries are made accountwise
<b>Process</b>	The process of recording in journal is called journalising	The process of recording in the ledger is called posting
<b>Facilitating preparation of trial balance</b>	Amount from the journal does not serve as the basis for preparing trail balance	Ledger balances serve as the basis for preparing trail balance
<b>Basis of entries</b>	Entries in the journal are made on the basis	Posting is done in ledger on the basis of

R. MANIKANDAN MCOM.,M.B.A., PGT IN COMMERCE  
SRI VENKATESWARA MATRIC HR.SEC.SCHOOL, ALWARTHIRUNAGAR,

CHENNAI-87

PHONE: 9094033454

	of source documents	journal entries
<b>Net position</b>	Net position of an account cannot be ascertained from journal	Net position of an account can be ascertained from ledger account

### 3. Differences between cash discount and trade discount

Basis	Cash discount	Trade discount
<b>purpose</b>	Cash discount is allowed to encourage the buyers of goods to make payment at an early date	Trade discount is allowed to encourage buyers to buy goods in large quantities
<b>Time of allowance</b>	Cash discount is allowed by the seller or creditor to the buyer or debtor at the time of making payment	Trade discount is allowed by the seller to the buyer when goods are sold
<b>Amount of discount</b>	Cash discount is related to time the earlier the payment the more will be the cash discount	Trade discount is generally related to the quantity of purchases or sale the more the purchases the more will be the rate and amount of discount
<b>Deduction from invoice value</b>	Cash discount is not deducted from the invoice value of goods	Trade discount is deducted from the list price of the goods

#### 4. Differences between bank column of cash book and bank statement

Page | 4

S No	Bank column of cash book	Bank statement
1	It is prepared by business concern	It is prepared by bank (banker)
2	Cash deposits are entered on the debt side	Cash deposits are entered in the credit column
3	Cash withdrawals are entered on the credit side	Cash withdrawals are entered in the debt column
4	Cheque deposits are debited on the day of deposit	Cheque deposits are credited only at the time of realisation of cheque
5	Cheque issued are credited on the day of issue of cheque	Cheque issued by customers are debited by bank on the date on which the payment is made
6	It is balanced at the end of a specific period	It is balanced after each transaction

#### 5. Difference between straight line method and written down value method

Basis of difference	Straight line method	Written down value method
Basis of calculation	Depreciation is	Depreciation is

R. MANIKANDAN MCOM.,M.B.A., PGT IN COMMERCE  
SRI VENKATESWARA MATRIC HR.SEC.SCHOOL, ALWARTHIRUNAGAR,  
CHENNAI-87

PHONE: 9094033454

	calculated on the original cost of the asset for all the years	calculated on the written down value of the asset year after year
<b>Amount of depreciation</b>	The amount of depreciation is the same for all the years	The amount of depreciation goes on decreasing year after year
<b>Book value of the asset at the end of its life</b>	The book value of the asset becomes zero when there is no scrap value or is equal to its scrap value at the end of its life	The book value of the asset never becomes zero
<b>Computation of rate of depreciation</b>	It is easy to calculate the rate of depreciation	It is very difficult to calculate the rate of depreciation
<b>Order of calculation of depreciation amount</b>	Amount of depreciation is calculated first, followed by the rate of depreciation	Rate of depreciation is calculated first, followed by the amount of depreciation
<b>Total charge</b>	As the cost of repair goes on increasing with the passage of time, the total charge, i.e., the total of depreciation amount and repair amount keeps on increasing from year to year	As the cost of repair increases and depreciation decreases with the passage of time, total of depreciation amount and repair amount charged to profit and loss account remains almost the

		same from year to year
<b>Suitability</b>	It is suitable for assets for which the repair charges are less and the possibility of obsolescence is less and expiration of cost of asset depends upon time period involved	It is suitable for assets which are affected by technological changes and assets which requires more repairs with the passage of time

## 6. Comparison of capital revenue and deferred revenue expenditure

<b>Basis</b>	<b>Capital expenditure</b>	<b>Revenue expenditure</b>	<b>Deferred revenue expenditure</b>
<b>Nature</b>	It is non – recurring in nature	It is recurring in nature	It is non – recurring in nature
<b>Purpose</b>	To contribute to the revenue earning capacity of the business	To carry on the day to day activities of the business	To get benefit for certain years
<b>Period of benefits</b>	Its benefit is available for a longer period	Its benefit is obtained within one accounting period	Its benefit is available for more than one accounting period
<b>Effect on profit earning capacity</b>	It increases the profit earning capacity of the	It maintains the profit earning capacity of the	It is of benefit to the business for certain years

R. MANIKANDAN MCOM.,M.B.A., PGT IN COMMERCE  
SRI VENKATESWARA MATRIC HR.SEC.SCHOOL, ALWARTHIRUNAGAR,

CHENNAI-87

PHONE: 9094033454

	business	business	
<b>Accounting treatment</b>	It will appear on the assets side of the balance sheet	It will be shown on the debit side of the trading and profit and loss account depending on whether direct or indirect in nature	The amount written off during the year is shown on the debit side of profit and loss account and the unwritten off portion is shown on the asset side

### 7. Distinction between capital and revenue receipts

Basis	Capital receipts	Revenue receipts
<b>Nature</b>	Non –recurring in nature	Recurring in nature
<b>Size</b>	Amount is generally substantial	Amount is generally smaller
<b>Distribution</b>	These amounts are not available for distribution as profits	The excess of revenue receipts over the revenue expenses can be used for distribution as profit

### 8. Difference between trail balance and balance sheet

Basis	Trail balance	Balance sheet
<b>Nature</b>	Trail balance is a list	Balance sheet is a

R. MANIKANDAN MCOM.,M.B.A., PGT IN COMMERCE  
SRI VENKATESWARA MATRIC HR.SEC.SCHOOL, ALWARTHIRUNAGAR,

CHENNAI-87

PHONE: 9094033454

	of ledger balances on a particular date	statement showing the position of assets and liabilities on a particulars date
<b>Purpose</b>	Trail balance is prepared to check the arithmetical accuracy of entries made	Balance sheet is prepared to ascertain the financial position of a business
<b>Contents</b>	It is summary of balances of all accounts personal real and nominal accounts	It is a statement showing the closing balances of only personal and real accounts
<b>Format</b>	The trail balance contains columns for debit balances and credit balances	The items are grouped as assets and liabilities
<b>Stage</b>	It is prepared before the preparation of final accounts	It is prepared after preparing trail balance and trading and profit and loss account
<b>Order</b>	Balances shown in the trail balance need not be in order	Balance shown in the balance sheet must be in order
<b>Compulsion</b>	Preparation of trial balance is not compulsory	Preparation of the balance sheet is compulsory in certain cases

## 9. difference between manual and computerised accounting system

R. MANIKANDAN MCOM.,M.B.A., PGT IN COMMERCE  
SRI VENKATESWARA MATRIC HR.SEC.SCHOOL, ALWARTHIRUNAGAR,

CHENNAI-87

PHONE: 9094033454



<b>Basis</b>	<b>Manual accounting</b>	<b>Computerised accounting</b>
<b>Recording of transactions</b>	Transactions are recorded manually	Transactions are recorded using computers
<b>Storage</b>	Transactions are stored in volumes of books	Transactions are stored in well – designed databases
<b>Preparation of ledger accounts trail balance and financial statements</b>	Ledger accounts trail balance and financial statements are prepared manually	Once journal entries are passed or subsidiary books are entered data are processed automatically and ledger accounts trail balance and balance sheet are automatically prepared
<b>Preparation of report</b>	Analysis of financial statement and preparation of report are to be done manually	Financial statement analysis such as ratio analysis preparation of cash flow statement etc is automatically done
<b>Cost involved</b>	The cost is high in manual accounting as several books of account are to be maintained	The cost is less compared to manual accounting as all the records are kept in soft copy

<b>Communication of report</b>	Communication of report takes time and it is difficult as it has to be done manually to the users of information	It is easier and takes lesser time the report is in soft copy and if online facility is available it can be communicated to the users very easily at any time and at any place
--------------------------------	--	--

### 10. Difference among the three types of software

<b>Basis</b>	<b>Ready to use software</b>	<b>Customised software</b>	<b>Tailor made software</b>
<b>Nature of business</b>	Small conventional business	Large medium business	Large
<b>Cost of installation</b>	Low	Relatively high	High
<b>Expected level of secrecy</b>	low	Relatively high	Relatively high
<b>Number of users and their interface</b>	limited	As per specifications	Unlimited
<b>Linkage to other information</b>	restricted	Not restricted	Not restricted
<b>Adaptability</b>	High	Relatively high	Specific
<b>Training requirements</b>	low	Medium	High

R. MANIKANDAN MCOM.,M.B.A., PGT IN COMMERCE  
SRI VENKATESWARA MATRIC HR.SEC.SCHOOL, ALWARTHIRUNAGAR,

CHENNAI-87

PHONE: 9094033454





# www.Padasalai.Net

படங்களை தொடுக! பாடசாலை வலைதளத்தை சமூக ஊடகங்களில் பின்தொடர்க!! உடனுக்குடன் புதிய செய்திகளை Notifications-ல் பெறுக!



Zoom



Touch Below Links



Download!

<b>12<sup>th</sup> Standard</b>	<a href="#">Syllabus</a>	<a href="#">Books</a>	<a href="#">Study Materials – EM</a>	<a href="#">Study Materials - TM</a>	<a href="#">Practical</a>	<a href="#">Online Test (EM &amp; TM)</a>
	<a href="#">Monthly Q&amp;A</a>	<a href="#">Mid Term Q&amp;A</a>	<a href="#">Revision Q&amp;A</a>	<a href="#">PTA Book Q&amp;A</a>	<a href="#">Centum Questions</a>	<a href="#">Creative Questions</a>
	<a href="#">Quarterly Exam</a>	<a href="#">Half Yearly Exam</a>	<a href="#">Public Exam</a>	<a href="#">NEET</a>		

<b>11<sup>th</sup> Standard</b>	<a href="#">Syllabus</a>	<a href="#">Books</a>	<a href="#">Study Materials – EM</a>	<a href="#">Study Materials - TM</a>	<a href="#">Practical</a>	<a href="#">Online Test (EM &amp; TM)</a>
	<a href="#">Monthly Q&amp;A</a>	<a href="#">Mid Term Q&amp;A</a>	<a href="#">Revision Q&amp;A</a>	<a href="#">Centum Questions</a>	<a href="#">Creative Questions</a>	
	<a href="#">Quarterly Exam</a>	<a href="#">Half Yearly Exam</a>	<a href="#">Public Exam</a>	<a href="#">NEET</a>		

<b>10<sup>th</sup> Standard</b>	<a href="#">Syllabus</a>	<a href="#">Books</a>	<a href="#">Study Materials - EM</a>	<a href="#">Study Materials - TM</a>	<a href="#">Practical</a>	<a href="#">Online Test (EM &amp; TM)</a>
	<a href="#">Monthly Q&amp;A</a>	<a href="#">Mid Term Q&amp;A</a>	<a href="#">Revision Q&amp;A</a>	<a href="#">PTA Book Q&amp;A</a>	<a href="#">Centum Questions</a>	<a href="#">Creative Questions</a>
	<a href="#">Quarterly Exam</a>	<a href="#">Half Yearly Exam</a>	<a href="#">Public Exam</a>	<a href="#">NTSE</a>	<a href="#">SLAS</a>	

<b>9<sup>th</sup> Standard</b>	<a href="#">Syllabus</a>	<a href="#">Books</a>	<a href="#">Study Materials</a>	<a href="#">1<sup>st</sup> Mid Term</a>	<a href="#">2<sup>nd</sup> Mid Term</a>	<a href="#">3<sup>rd</sup> Mid Term</a>
	<a href="#">Quarterly Exam</a>	<a href="#">Half Yearly Exam</a>	<a href="#">Annual Exam</a>	<a href="#">RTE</a>		

<b>8<sup>th</sup> Standard</b>	<a href="#">Syllabus</a>	<a href="#">Books</a>	<a href="#">Study Materials</a>	<a href="#">1<sup>st</sup> Mid Term</a>	<a href="#">2<sup>nd</sup> Mid Term</a>	<a href="#">3<sup>rd</sup> Mid Term</a>
	<a href="#">Term 1</a>	<a href="#">Term 2</a>	<a href="#">Term 3</a>	<a href="#">Public Model Q&amp;A</a>	<a href="#">NMMS</a>	<a href="#">Periodical Test</a>

<b>7<sup>th</sup> Standard</b>	<a href="#">Syllabus</a>	<a href="#">Books</a>	<a href="#">Study Materials</a>	<a href="#">1<sup>st</sup> Mid Term</a>	<a href="#">2<sup>nd</sup> Mid Term</a>	<a href="#">3<sup>rd</sup> Mid Term</a>
	<a href="#">Term 1</a>	<a href="#">Term 2</a>	<a href="#">Term 3</a>	<a href="#">Periodical Test</a>	<a href="#">SLAS</a>	

<b>6<sup>th</sup> Standard</b>	<a href="#">Syllabus</a>	<a href="#">Books</a>	<a href="#">Study Materials</a>	<a href="#">1<sup>st</sup> Mid Term</a>	<a href="#">2<sup>nd</sup> Mid Term</a>	<a href="#">3<sup>rd</sup> Mid Term</a>
	<a href="#">Term 1</a>	<a href="#">Term 2</a>	<a href="#">Term 3</a>	<a href="#">Periodical Test</a>	<a href="#">SLAS</a>	

<b>1<sup>st</sup> to 5<sup>th</sup> Standard</b>	<a href="#">Syllabus</a>	<a href="#">Books</a>	<a href="#">Study Materials</a>	<a href="#">Periodical Test</a>	<a href="#">SLAS</a>	
	<a href="#">Term 1</a>	<a href="#">Term 2</a>	<a href="#">Term 3</a>	<a href="#">Public Model Q&amp;A</a>		

<b>Exams</b>	<a href="#">TET</a>	<a href="#">TNPSC</a>	<a href="#">PGTRB</a>	<a href="#">Polytechnic</a>	<a href="#">Police</a>	<a href="#">Computer Instructor</a>
	<a href="#">DEO</a>	<a href="#">BEO</a>	<a href="#">LAB Asst</a>	<a href="#">NMMS</a>	<a href="#">RTE</a>	<a href="#">NTSE</a>

<b>Portal</b>	<a href="#">Matrimony</a>	<a href="#">Mutual Transfer</a>	<a href="#">Job Portal</a>
---------------	---------------------------	---------------------------------	----------------------------

<b>Volunteers</b>	<a href="#">Centum Team</a>	<a href="#">Creative Team</a>	<a href="#">Key Answer Team</a>
-------------------	-----------------------------	-------------------------------	---------------------------------

<b>Downloads</b>	<a href="#">LESSON PLAN</a>	<a href="#">Department Exam</a>	<a href="#">Income Tax</a>	<a href="#">Forms &amp; Proposals</a>	<a href="#">Fonts</a>	<a href="#">Downloads</a>
	<a href="#">Proceedings</a>	<a href="#">GO's</a>	<a href="#">Regulation Orders</a>	<a href="#">Pay Orders</a>	<a href="#">Panel</a>	



**Padasalai – Official Android App – [Download Here](#)**



Kindly Send Your Study Materials, Q&A to our Email ID – [Padasalai.net@gmail.com](mailto:Padasalai.net@gmail.com)