



THE IMPACT AND SIGNIFICANCE OF E-ACCOUNTING

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Abstract

There has been continuous development and development in Information, Communication and Technology (ICT) which had brought the digital revolution in our daily walk of life. This technological progress altered the methods and ways of carrying out tasks within the scope of book keeping transactions and activities through the use of electronic media. It means all transactions will record online server or database. E-accounting is a new development in the field of accounting adopted at the international level. E-accounting stands for electronic accounting with the characteristics of high speed, accuracy and with an immediate result. Thus, sorcerer details and accounting records exist in digital form instead of on paper in auto mated accounting organization. It helps a n y businesses keep their financial data and book keeping software in a safe, secure environment allowing real-time access to the authorized users irrespective of their location or computing platforms. This paper throws light on the influence of e- accounting in the up-to-date business, the concept of E-accounting, profits, and problems of e-accounting.

In present scenario, many organizations may fail in their businesses, not because of poor quality of material, trained human resource and poor management, but the main reason is the accounting methodology which have adopted by the businesses. So there is a requirement for businesses to in culcate e-accounting practices to take instant decision or responds the clients as early as possible. This study is based on secondary data.

Keywords: Accounting, E-Accounting, Information, Communication and Technology.

Introduction:

Accounting means collecting, recording, classifying, summarizing, and reporting of economic data. Conventionally, all business records are kept manually on paper. In the present context go global is a common phenomenon and business records are made available to clients across the globe and need to respond immediately. Moreover, many businesses are facing competition not only from domestic country but also from foreign countries. To compete with those foreign companies, domestic companies need to adopt a test technology whereby they can access to foreign customers instantly and reduce the costs of keeping and maintaining records. Once a system has been designed, reports are made available instantly and prompt decisions can be made as quickly as possible. E-accounting supports businesses retain the financial in formations and accounting software in a safe, secure environment, allowing real time admittance to authorized users, irrespective of their location or computing platform. At the same time companies who have adopted accounting technology also need to take care of security issues as well.

Objectives of the study

The basic objectives of the study areas follow

- To study the nature, features impact of e-accounting.
- To analyze and examine the benefits and problems of e-accounting.

Research Methodology

The present study is based on secondary data. It is collected from various sources related to the subject of study from reference books of accounting and e-accounting, research articles, scientific journals, websites, etc.



Features of E-Accounting

An e-accounting system can be helpful in the effective process of accounting through the following features:

- Universal access.
- Large Scale Business Record.
- Multiples it access.
- Zero system administration for end-users.
- Frugality because of service offering to a large number of customers.
- A single/multiple, shared database
- Enhancements and fixes continuously developed and installed by service provider.
- Fast Record with Advance Technology.

Application of E-Accounting

- From basic in voicing and billing, to tax calculations and project management, accounting software is an essential tool for your business' financial data. It also helps manage clients, reconcile bank accounts, and generate in sight full financial reports that help your business grow smoothly and continuously. Some of the important applications of e-accounting areas follows.
- E-accounting in variably offers a wide application of data processes and operation at the internet that entails other aspects such as registration, storage, business activity, production management, procurement and distribution, goods transfer, as well as after sales service.
- This is feasible by the use of information banks and worldwide networks. At this moment, International Accounting Federation has examined all the instruments necessary for E-accounting development and education, which in turn compatibility and synergy will be followed at international levels.
- A multitude of accounting enterprises takes benefit from the services internationally. As for the enterprises, overall discussions on journal office, ledger, record and book keeping, cash management, receivable and pay able accounts, asset management, financial analysis, financial reporting and financial statements can be pursue don line using electronic services.
- **In** sum, electronic accounting revolution has a process-oriented effect.

Benefit of E-Accounting

Accurate financial and accounting information is very important for organizations to maintain a position over the competitors in the market. In a fast-paced world, the clients need to have access to their financial data at any point in time to know their financial positions. This is possible through e- accounting. E-accounting helps businesses keep their financial data in a safe, secure environment, permitting real-time access to authorized users. This is possible due to an Application Software that allows access to users of financial information with different levels of permission and password. In this regard, below are the main benefits and problems of e-accounting as given by Kumar and Preety (2012):

- It saves time and money.
- Gain greater control of finance by moving from paper records to computerized accounting software.
- Send sales in voice and other documents directly to another business accounts for the recipient to approve without having to reenter the information.
- E-accounting may progress the effectiveness of accounting and reporting task, budgeting, Controlling and auditing which may reflect on the organization effectiveness as well.
- Organization's entire accounting project cans be easily out sourced by the accounting system.
- **It** generates employment opportunities for software developers and accountants.
- **No** need for in-house book keepers' training and expertise.



- No communication difficulties between the accountant and business owner or **Organization** due to load/ work pressure.
- Cost saving on office space (rent for additional offices).
- **Transactions** that affect the company's bank account can be sent automatically to the Online accounting application.
- They are portable. The company can access its documents from almost any computer with a broad band connection.
- If the company's computer crashes, its documents are still safe on the server.
- **Accounting** packages now permit a business to trade in multiple currencies with ease.
- Data can be kept confidential by taking advantages of security password system that most accounting programs provide.

Some of the important Accounting Software's areas follows

Fresh Books: Fresh Books is a Canadian-based company that was started in Toronto in 2004. It uses cloud-based book keeping and invoice software that can be retrieved via I Phone, Android, and I Padapps.

Quick Books: Quick Books is accounting software developed and advertised by Intuit. Its latest cloud-based statement was in 2019, but it also suggestions separate desktop options you can purchase and download. Its products are naturally geared toward small and medium-sized businesses.

Sage Business Cloud Accounting: It previously known as Sage One is a global brand that offers online book keeping and business services. It was started in 1982 in New castle, England, as away to develop guessing and accounting software specifically for small businesses.

Account Edge Pro: It is desktop book keeping software for small businesses founded in 1989 and has developed new features and improvements over many years. If you need to admission your finances on the go from your Smartphone, one can use their cloud-based applications or their hosting platform. It is geared near small to medium- sized businesses, like basic version and a pro version, and offers comprehensive accounting solutions full of customizations.

Wave Accounting: It was created in Toronto in 2010 and offers software and financial services. It's an charging and accounting software that also has credit card processing and payroll services. It's cloud-based, easy to use, and can be used by business owners with no accounting or book keeping experience. All of data is backed up for extra security and one can connect this bank accounts to sync your expense sat anytime from anywhere.

Conclusion

Accounting software and packages have revolutionized accounting not only in India but also across the world. Developments have been made easier and less costly. In present days accountants have prepared financial statements as per the norms of GAAP and IFRS. So it is convenient for business establishments to communicate the economic data to the stake holders. More over cost control and cost reduction are in evitable to succeed in the same business line and E-Accounting is one of the sorts to reduce cost. At the same time, they have also think of security issues and need to give pro per training to the concerned personnel to get benefit from E-Accounting.

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