

Accounting, an Important Segment of the Information System

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Abstract: In the context of deep financial and economic transformations taking place both nationally and globally, the need and appropriateness of ongoing and increased involvement of accounting information in the management process is increasingly obvious under the increasing credibility and relevance of such information in user perception. Although the data, information and knowledge provided by accounting are not the only ones characterizing a particular economic unit, we believe they are an essential element for analysis and assessment of the entity's statement of assets, motivation according to which accounting is seen by the management, and not only, as the core of the information system. Thus, the accounting information experiences a wide revaluation on all the decision-making stages specific to a field of activity, materialized, for this purpose, in economic and financial indicators that are obtained either directly from synthetic and analytical accounts, or through calculations based on them, regularly and periodically, depending on the need and possibility of operational knowledge of such indicators or only at certain times. Therefore the main purpose of the accounting information system is to provide each user, according to its responsibilities and tasks, with all the necessary information, representing both an interface between the operating and the management system of the entity, but also an element connecting the internal and the external environment of the company, a perspective that motivates our scientific approach orientation in the research of accounting information and its role in the decision making process.

Introduction:

In the context of deep financial and economic transformations taking place both nationally and globally, the need and appropriateness of ongoing and increased involvement of accounting information in the management process is increasingly obvious under the increasing credibility and relevance of such information in user perception. Although the data, information and knowledge provided by accounting are not the only ones characterizing a particular economic unit, we believe they are an essential element for analysis and assessment of the entity's statement of assets, motivation according to which accounting is seen by the management, and not only, as the core of the information system. Thus, the accounting information experiences a wide revaluation on all the decision-making stages specific to a field of activity, materialized, for this purpose, in economic and financial indicators that are obtained either directly from synthetic and analytical accounts, or through calculations based on them, regularly and periodically, depending on the need and possibility of operational knowledge of such indicators or only at certain times.

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Evolution of Accounting Information System :

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Importance of study:

Accounting information system is typically a computerized accounting program that keeps records for a company. The information is entered into the system and the system tracks and organizes the accounting information. It is used also to provide detailed information about the company, including financial statements.

Business Transactions

An accounting information system is designed to record all transactions of a business. An accounting clerk enters all business transactions into the program and the transactions automatically are posted to the corresponding accounts. This is important because any time information is needed, it can found on the computer and is organized.

Accounts Payable

An accounting information system allows for easier payments made on accounts payable. Many systems are designed to pay all bills due with a click of a button. A date is selected and checks are automatically made out for all bills due. Most systems allow a clerk to unselect certain bills if a company is not ready to pay

Accounts Receivable

This type of system also allows for easier billing. Information is recorded on the system and a clerk chooses when to print bills. This is done daily, weekly or monthly, depending on the business. The system generates all bills efficiently and easily for the clerk.

Financial Statements

An accounting information system generates all financial reports without the clerk calculating anything. The dates for the reports are entered into the system and the computer generates reports for that specific period. This comes in handy when a report from a different period is needed immediately. The system has the capability of producing reports for any period that the information was recorded for.

Year-End Closing

Year-end closing is often a tedious process for an accountant. An unadjusted trial balance is created, adjusting entries are made and recorded, an adjusted trial balance is calculated, closing entries are made, and, finally, a post-closing trial balance is generated. This process is complicated and time consuming, but with an accounting information system, the computer does most of the work on its own.

Conclusion:

In conclusion the accounting information system is a very integrate system. A company needs to follow the correct steps when using the strategic mode so that the business does not fail from the huge makeover that it may be receiving from the strategic mode. Also making sure that a company has a contingency plan set in place will help make sure that the company wont fail if there is a disaster of some sort. The company should also make sure that it is in compliance with the accounting acts.

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