Page No.
Date

CH 3

Accounting Standard & GAAP

Accounting standard are written policy document issued by expert accounting body or by govt. covering the aspect of recognition, treatment and measurement, presentation & disclosure of accounting transaction and events in the financial statements.

accounting standards promote:

1. Uniformity
2. Rationalization (logical)
3. Comparability
4. transparency

Accounting standards in India.

The institute of chartered accountants in India (ICAI) issues accounting standards in India.
There are 32 accounting standard.

GAAP

To avoid confusion & to achieve uniformity, accounting process is applied within the conceptual framework of Generally accepted Accounting Principles (GAAP)

GAAP & AS are considered as the theory base of accounting.