

# Case study on accounting theory

Business



## **Accounting Theory Case Study:**

Accounting theory is the set of documents, methods, techniques, etc used for the appropriate functioning of the important branch of finance - accounting.

Accounting is known to be the old discipline and sphere of economics, because people of the 15th century already spoke about it. Accounting is applied for the regular work of every private and public firm controlling the information about the profit and expenditures, success and failure of the firm and with the help of the methods of statistics illustrates the objective picture of the financial condition of the firm. Accounting as a separate discipline appeared approximately in the 17th century when the trade and financial activity became the prominent activity of a successful country. Every firm wants to regulate its capital and keep the situation under control, so the tools and methods of accounting have been worked out to reach this control. It is obvious that accounting theory helps every company navigate and exist on the market successfully.

With the help of the experts in accounting theory the firm can compose the right plan for its development, the right financing, improvement of its activities, equipment, production, etc. It is of vital importance for the businessman to be aware about the accounting theory and its aspects in order to be able to act correctly during the unpredictable situations and crisis. While accounting helps to monitor the condition of the firm, it is possible to react on time and introduce the necessary changes into the development of the firm: improve the technology of the production, regulate wages, logistics, material supply, etc. Accounting theory is the set of

methods and techniques which are applied on practice by the accountants which work at every firm, monitor its financial condition and control its finance. When the student investigates the topic on accounting theory, he has to observe the issue from all sides and prepare a full description of the direct issue which has occurred in the case. The student is supposed to analyze the case from all sides, define the problem related with the accounting theory and probably solve it effectively.

It is important to define the cause and effect of the problem on accounting theory and demonstrate knowledge about its objective and reliable solution. When the student faces the problem of case study writing, he has to pull up his knowledge and writing skills and prepare a well-organized paper. The Internet is the best helper with the troublesome issues and a free example case study related to accounting theory will be useful for everyone. The student who requires help on formatting, analysis and construction of the appropriate paper should read a free sample case study on accounting theory written by an expert.