

FAQ



What does accounting mean?

Accounting means recording the business and financial transactions of a **company** taken place in the past in a prescribed form. In practice it means the accountant enters the sales **invoices** and invoices of cost into an accounting software, on the basis of this the result of the transactions (profit or loss) and the payable **taxes** are calculated and then the tax declarations and reports are prepared and submitted to the authorities until the deadlines.

What documents are needed for accounting?

- invoices of cost
- sales invoices
- invoices/documents of petty cash transactions
- bank account statements
- contracts

What documents and information are provided by the accountant?

- balance sheet
- profit or loss statement
- general ledger
- subledgers and other supporting analytics

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What do the documents/information provided by the accountant show?

Balance sheet: It shows the total value of assets of a company at a given date of time (typically it is the end of the business year but it can be intra-year as well), in other words it shows what assets - real estate, machines, equipment, intellectual properties, securities, inventories, receivables, cash and cash equivalents - the company has, and further it demonstrates from what financial resources they were acquired - equity loan, bank loan, lease or other loan.

Profit or loss statement: it shows the revenues and costs/expenditures of a company within a period of time, which can result in a profit or loss.

General ledger: it shows the cumulative balances of all the business transactions within the business year.

Subledger: it shows the details of all the business transactions within the business year.

What is the responsibility of a company?

- the content of invoices issued or accepted by the client
- preparation of the relating contracts and documentary evidence of compliance
- the financial settlement of invoices of cost
- management of petty cash, make remittances
- handover of the documents needed for the preparation of tax declarations

What is the responsibility of the accountant?

- accounting in line with the Act on Accountancy and making the client observe the law
- preparation of tax declarations and filing them until the deadline

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- informing the client about possible irregularities in its operation
- informing the client about which records have to be kept by him and how to do it to be in line with the regulations

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