

## B. Com III (Cost Accounting)

### \* Difference between Financial Accounting and Cost Accounting:-

Basis	Financial Accounting	Cost Accounting
① Objectives	It provides information about the financial performance and financial position of the business.	It provides information of ascertainment of cost to control cost and for decision making about the cost.
② Nature	It classifies records, presents and interprets transactions in terms of money.	It classifies, records, presents and interprets in a significant manner the material, labour and overhead cost.
③ Recording of data	It records historical data.	It makes use of both the historical costs and pre-determined costs.
④ Time Period	Financial statements are prepared for a definite period, usually a year.	Its reports and statements are prepared as and when required.
⑤ Presentation of information	A set format is used for presenting financial information.	There are not any set formats for presenting cost information.