

The Accounting Profession

The accounting profession developed as a result of the enormous need for corporate accountability. Accountants could apply a formalized system of financial reporting and were capable of communicating objectively in the language of business.

The accounting profession in Greece has recently achieved a high level of development and qualifications. The use of modern techniques such as budgetary control, standard costs, and management information systems has gradually increased in recent years. 5

There is a wide range of jobs available in the field of accounting the most common of which are: **bookkeeper, accountant, tax accountant, cost accountant, budget accountant, chief accountant** and **auditor**.

This classification is determined by the nature of duties and professional standing. 10

The main task of a **bookkeeper** is to record the financial transactions in the account books of an organization. These records provide the basic information for the preparation of a profit and loss account and balance sheet at the end of the accounting period. He performs the practical work of bookkeeping.

On the other hand, the **accountant** is skilled in accounting and specialized in commerce and keeping accounts in business. 15

The **tax accountant** prepares tax returns of individuals or businesses according to laws and regulations. He advises management regarding effects of business and other transactions upon taxes. He may specialize in particular phases of tax accounting, such as property, real estate, income e.t.c.

The **cost accountant**, by applying principles of cost accounting and statistics, devises, implements and administers systems to provide management with detailed cost data. The other aspect of his job is to record and report unit costs of factors affecting production, such as raw materials, purchases, labour inventory and machine maintenance. 20

The **budget accountant**, by preparing principles of accounting, analyses past and present trends and costs of financial operations and estimates future revenues and expenditures to prepare a budget. He develops, installs, and maintains budgeting systems which provide control of expenditures made to carry out activities such as advertising and marketing. He advises management and may supervise personnel performing routine phases of accounting operations. 25

The key person in the accounting department is the **chief accountant** who is the officer of highest rank. It is on his or her capacity as a leader, as well as on his or her profound knowledge that the success of the department depends. He directs, coordinates and supervises operating procedures, concerning the financial status of the firm. 30

The **auditor** is a qualified person who can access legally the records and the accounts of the company, to determine if a proper procedure in recording transactions was followed. For this purpose, he verifies journal and ledger entries of cash and cheque payments, purchases, expenses and trial balances and examines inventory items. 35

EXERCISES

A. Read the text and answer the following questions :

1. Why did the accounting profession develop?
2. On what basis do we classify the personnel engaged in accounting work?
3. Distinguish between the bookkeeper and the accountant.
4. Describe the job of the cost accountant.
5. Describe the job of the tax accountant.
6. Describe the job of the budget accountant
7. Who is the key person in the accounting department?
8. What is the role of the auditor?

B. Refer back to the text and find words that mean the same as the following :

1. gained, reached (line 4) →
2. stage (line 4) →
3. fixed (line 5) →
4. decided (line 10) →
5. immovable property (line 18) →
6. basic laws (line 19) →
7. plans (line 19) →
8. puts into practice (line 19) →
9. puts into operation (line 20) →
10. tendencies (line 23) →
11. sets into position for use (line 25) →
12. deep (line 29) →

C. Complete the following phrases with the appropriate verbs (chosen from the box) which best combine with the object nouns:

balance - compute - estimate - set - hold - apply - supervise - exercise - coordinate - implement

1. _____ expenditures
2. _____ a budget
3. _____ personnel
4. _____ tax returns
5. _____ a control
6. _____ principles of accounting
7. _____ degree
8. _____ systems
9. _____ activities
10. _____ financial goals

D. Fill in the blanks with the appropriate terms referring to the accounting profession :

1. A _____ examines, prepares, reports and supervises activities regarding the financial status of a firm.
2. A _____ performs the routine work of entering figures in financial record books.
3. An _____ sets up a bookkeeping system and interprets the data in it by analysing the business transactions.
4. A _____ works with those financial reports necessary to management for the effective operation of the firm including budgets and cash flow projects.
5. An _____ 's duty is to protect the company's assets. He analyses the accounts in order to assess their accuracy and detect fraud.
6. A _____ is mainly concerned with determining the unit cost of the products manufactured by a firm before their sale.
7. A _____ examines accounts and records and computes tax returns according to prescribed rates. He may devise and install tax record systems.

E. Tick the verbs which go with the corresponding nouns in the boxes :

KNOWLEDGE		AGREEMENT		ACTIVITY		ACCOUNT	
1. acquire		1. work out an		1. engage in		1. charge	
2. accumulate		2. violate		2. make		2. avoid	
3. determine		3. save		3. take part in		3. balance	
4. impart		4. negotiate		4. participate in		4. accomplish	
5. brush up		5. believe		5. achieve		5. keep	
6. define		6. conclude		6. resume		6. close	
7. show off		7. enter into		7. paralyze		7. process	
8. gain		8. reach		8. break off		8. settle	
9. communicate		9. break		9. access		9. overdraw	
10. support		10. carry out an		10. terminate		10. open	