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Difference between Double Account System and Single Account System

① Preparing the annual accounts of a company Ordinarily one balance sheet is prepared for showing all assets and liabilities but under double account system in place of one balance sheet. In addition to Receipts and Expenditure on Capital Account and General Balance Sheet, Revenue and Net Revenue Accounts are also prepared.
Double Account System should be treated as quite distinct from single entry system because under single entry system records are incomplete while in double account system records are complete and it is used in Public utility companies whose accounts are never prepared according to single entry system. These companies are established under special Act of the Parliament.
~~Double Esy Entry System is a method of maintaining books of account while~~

② In case of Double Account system two Balance sheet are prepared (i) Capital Account and (ii) General Balance Sheet.

③ The scope of Double Account system is limited. It is adopted by public utility concern only. The scope of Single Account system is very wide. It is adopted by sole Trading concerns partnership firm and companies.

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(4) In case of Double system, the fixed Assets are shown at original cost in the Capital account. Without deducting any depreciation therefrom, accumulated depreciation is shown in the Balance Sheet on its liabilities side. Under the Single Account system assets are shown in the Balance Sheet after deducting the amount of depreciation.

(5) Under Double Account system the purpose is to show the amount of capital received and the application of the same in fixed assets. But under Single Account System the purpose of preparing accounts is to show the financial position of a firm at a particular date.

(6) The Revenue account is known as profit & loss Appropriation Account, respectively, under Single Entry system But the same is known as Revenue Account and Net Revenue Account under Double Account system.

(7) In case of Double Account system interest on loans and debenture shown in the Net Revenue Account whereas in case of Single Account System, it is shown in Profit & loss Account.

(8) In case of Double Account system, Fixed Asset are shown on the left side of Capital Account and liabilities are shown on the right side of A Capital Account

whereas in case of Single Account system Assets and liabilities are shown on the right and left side of Balance Sheet respectively.

(9) The main purpose of preparing Balance Sheet under the Single Entry system, is to give a true and fair view of the state of affairs of the business on a particular date. In case of Double Account System, the main objective of preparing and presenting the Balance Sheet in two parts is to give details regarding the amount of fixed capital raised and its application in purpose of fix-ed Assets.

(10) In case of Double Account system, rent form letting out of property is shown in Net Revenue Account whereas in case of Single Account System it is shown in Profit & loss Account.