
The Legal Concept in Financial Accounting Management

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Abstract:

The company's patrimony in accounting has experienced several concepts, which aimed, on the one hand, a better business management and, on the other hand, a more efficient and correct assessment of tax liabilities. An interesting trip through the opinions of well-known specialists, approved regarding this study done. The political and economical concept of patrimony is a first fundamental concept in the double part accounting, remaining intangible from the creator of "doppia scrittura automatica" (Luca Paciolo), the mechanism of mathematics with applications in economics and accounting, constituted in each entity the patrimonial.

Key words: financial accounting, patrimony, accounting, legal concept

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Introduction

Over time and nowadays, reflecting the company's patrimony in accounting has experienced several concept, which aimed, on the one hand, a better business management and, on the other hand, a more efficient and correct assessment of tax liabilities. An interesting trip through the opinions of well-known

specialists, approved regarding this study done. The political and economical concept of patrimony is a first fundamental concept in the double part accounting, remaining intangible from the creator of "doppia scrittura automatica" (Luca Paciolo), the mechanism of mathematics with applications in economics and accounting, constituted in each entity the patrimonial.

Patrimony - full juridical notion - from the first approach, it could not reflect in the brilliant work of Luca Paciolo. Instead, all elements of the architectural concept was well placed, just centuries added legal substance, injected, as universality of the legal-economic patrimony content. To emphasize the link between balance and account, you have shown the two ways of releasing the same result of the exercise. Thus, the result is the same:

- ♣ in balance, with the variation of the company's capital and reserves arising from his work;
- ♣ in the account, with the difference between income and expenses.

To judge the accounting phenomenon only through a single mode of interpretation, be it economically, be it legal, means to separate the two inseparable things, so it's impossible. In connection with placing the emphasis on the economic side of the accounting transactions registration, it is useful to recall the famous formula of Paul Gertner: "who wants to think accountant must be able to think economically".

The legal concept in the modern accounting

If the above statement draws attention to the nature of the operation, about economic operation we want to aim as such thinking must be complemented with legal aspects of accounting, operations, representing facts or parts thereof, have a well defined legal character. In this sense, the economic interpretation of accounting should be doubled by the juridical

side of the patrimonial equality, by the presentation of legal relations reflected in any register, from simple operations till to determine gross and net profit and its distribution according to the national legislation and, if accounting calculations are part of the economic calculations, they represent - legal thinking – specific application for law-making in economic matters. They represent the legal elements of the company's patrimony, a universality of rights and bonds, unitary and indivisible, but that is built into every component of accounting record relating to the level of the enterprise. We can't do the following remark: to make a thorough analysis, both of the table for the owners, as well as of the balance sheet, it would appear necessary to begin with the presentation of resources (capital and reserves and volume of debts to third parties (liabilities)) and continued with specification of data resources, i.e. with the various elements of the economic patrimony, which form the material factors on the tangible and intangible assets, financial assets, material and production stockpiles, active assets and property of the treasury. Of these, so it is explained why on the list of accounts that form the subject of general accounting, the general plan of accounts begin with capital account class, where are included all financial resources of the enterprise with a permanent character and accounts with various accounting for accounting structure of economic assets. So, the conclusion that we are compelled to formulate and logic that occurs as the exposure presented would consist of the following:

1. the equality “economical patrimony” = “legal patrimony” equivalent with the equality “active balance” = passive balance”; All of these are based on overall balance: account balances of assets = liabilities account balances, which derives from the fact that: debit accounts rolls = credit accounts rolls.

The accounting analysis of various economic and financial operations that make up the initial accounting record, consecrated under the name of the article (the accounting formula), is the legal concept of patrimony that conceive the

analysis in the light of provenance, of various training resources, which, in their giving in, give birth to which we have referred.

Both financial resources and appropriate uses accounts is reflected in property and which is incorporated in the balance sheet. All balance positions include only elements of economic assets, the question of legal assets (liabilities) that constitute the estate, owned by the company.

Legal basis of the balance sheet is the property, because first you have to have capital, legal reports and then continued to unfold a lucrative activity. In conclusion, the estate, the property of the enterprise should be recorded by the accounts of uses and financial resources and form a patrimony belonging to all economic entities, reporting financial and economic indicators. Whereas, due to the complexity of economic activity in industrial enterprises, construction, commercial and service rendering, you can find besides goods and property values and an array of goods and values that are found in the possession of the enterprise temporarily, they cannot be the object of registration of accounts in accounting class of general accounting (1-7), they form the subject of separate accounting records in the so-called extra-patrimonial accounts which do not appear in the balance sheet and that's why they are called and extra-balance accounts. In the balance sheet, however, appear only property named accounts, which refers only to the elements of wealth, component of the company property and, consequently, the balance sheet is built on the legal base of the property. Due to such construction of a balance based on the property, categorical statement appears related to another category of accounts, the so-called outside accounts balance (extra-balance, extra-patrimonial), where tangible assets was taken with rent from third parties on the basis of agreements concluded with them, material values received for processing or repair, material values received in storage or custody etc. All of this being in the temporary possession of the enterprise, the property belonging to third parties, it is reflected in the balance

of "de facto" owner, being found outside of the balance sheet. Only in this way we ensure the contents of balance sheet items in the property owned by the enterprise and can avoid double reporting to different assessments. In 1947, appears in the journal, "Observatorul social-economic", of Brasov a study titled "Accounting in the program of studies at universities abroad" by the eminent man of culture dr. doc. D. Rusu.

For the first time presents in specialized literature aspects of American thinking regarding accounting. The author refers to the Treaty Principles of Accounting, developed by Professor H. Finney from Northwestern University, which develops accounting theory based on the concept:

$$\text{Active} = \text{passive} + \text{equity capital}$$

Professor Finney has the following point of view: "keeping records and accounts are different: keeping records is an art, while accounting is a science".

Changes that occur in the patrimony engenders accounting items. Accounts receivable are receiving, in relation to accounts that give it and, therefore, are the lender.

Accounting resume in articles all economic and patrimonial nature.

Legal and patrimonial economic theory based on the equality $A = P$, conceive two series of accounts. The accounts of active and accounts of passive series. The authors present also maximum accounts categories, in which can enter any known assets.

ACTIVE	PASSIVE
<ol style="list-style-type: none"> 1. Stock Accounts property 2. Persons responsible for payment accounts 3. Accounts of unfavourable results 	<ol style="list-style-type: none"> 1. Capital accounts 2. Accounts payable people 3. Accounts of favourable results

The property is obvious. In the stock accounts appear as property, and in passive accounts capital. The patrimonial theory was elaborated and supported by a large number of authors.

In his work, "General Accounting", Prof. Dr. Doc. Dumitru Rusu, emphasizes the legal personality of the company and show: extending direct relationships between the different branches of the economy increases the competence and efficiency. Following the involvement of the corporate accounting seen as open system, we present this scientific disciplines both at the entrance of the primates society (before calculation), and their return to society (after calculation).

The main calculation resorts of the accounting that influence economic and financial decisions are as follows:

- ^ balance sheet and its annexes;
- ^ budget (revenue and expenditure);
- ^ lower and external accounting (financial);

Distinguished Professor of accounting Dr. Ronelia Davideanu from the School of Iasi, mention: "on the basis of each calculation resort previously mentioned can be achieved an informatics decision-making, using modern means of computing".

This explains frequently speaks in literature about the leadership of the enterprise through the budget or balance or cost, having in mind, priority, foresight leadership. In Western literature it insist particularly on the prospective of the accounting function, carried out through audits, budget, comparative analysis, scenarios and forecast calculations.

Nobel Prize for Economics, researcher Samuelson, noticing the importance of accounting, emphasize that it is absolutely essential for modern man to initiate how little in accounting basics". Balance is the main synthesis of accounting calculation that shows the movement situation of systematized, assessed values, putting you face to face with liabilities, assets from the main element, which is the capital.

Conclusions

Synthesis of accounting balance, ensure knowledge of results obtained at the end of a period of discharge and the shaping lines of action for the next period. To fulfill the function of multilateral characterization of the company activity, the balance sheet has to be real, honest, clear, correct, complete and made in good time. With over thirty years ago, esteemed professors from Iasi (Prof. Dr. Doc. Dumitru Rusu and Prof. Dr. Ronelia Davidescu) spoke about "standing balance theory "and "management science".

Always, I was convinced that they were a step ahead. Now, politico-economic theory of permanent assets, balance in theory, property and equity are more valid than ever. Due to the adoption of the principle of balance in answer to the idea of property, one can achieve a unitary economy, interlocking with the foundation property.

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