

Chart of Difference between Single Entry System and Double Entry System

Basis of Difference	Single Entry System	Double Entry System
Overview	In the Single Entry system of bookkeeping, only one effect of the transaction is recorded which is related to our business.	In Double Entry system of bookkeeping, only both or all effects of the transaction is recorded in the books of accounts.
Object	To know or remember the cash, debtors and creditor balance only.	To know every financial term of the business entity.
Type of Recording	It is an incomplete system of recording the transactions.	It is the complete system of recording the transactions.
Fraud	In this system, here is very easy to record fraud entry of transactions Because you are not showing the second affected account by the same transaction.	In this system, here is difficult to record fraud entry of transactions Because you are showing the second affected account by the same transaction.
Error	It is very hard to identify the error in the books.	It is easy to identify the error in the books.
Accounts Included	Only account related to persons and cash are included.	All accounts are considered in this method. Like the person, real and nominal.
Acceptance by Taxation department	It is not accepted by the taxation department.	It is accepted.
Profit/loss for the year	It requires a lot of labour and time to calculate the Profit/loss for the year.	It is easy to find out the Profit and Loss for the Year.
Suitable	This system is suitable for only a very small business.	It is suitable for all type of business.
Cost of Implementation	This system does not require any cost of implementation	This system does require any cost of implementation.
Users	Only Owner of the Business can use this system because it is not maintained on the paritcular standard.	All related Parties can use this system because all books are maintained on the standard formats.
Reconciliation of accounts	Reconciliations of accounts are not possible.	Reconciliations of accounts are possible.