

**A STUDY ON THE RELATIONSHIP BETWEEN THE  
APPLICATION OF ACCOUNTING TECHNIQUES AND  
THE PERFORMANCE OF SMALL BUSINESS,  
(WITH SPECIAL REFERENCE TO KATTANKUDT TOWN)**

**MS.SRINTHAJ BEGUM**

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**DEPARTMENT OF ACCOUNTANCY & FINANCE  
FACULTY OF MANAGEMENT AND COMMERCE  
SOUTH EASTERN UNIVERSITY OF SRI LANKA**

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## **ABSTRACT**

As we close the first decade and going into the 2012s of the 21<sup>st</sup> century. The new world order is positively shaped by globalization. Globally, there is an increased recognition of the important role played by, small business firm and in the economic development of a country. Accounting is very important to disclose performance of small business. This statement is declared by accounting professionals. But some firms are not maintaining the accounting techniques, however these firms also perform like firm of application of accounting techniques.

Therefore the main purpose of this research study is to identify relationship between Application of Accounting techniques and performance of small business in Kattankudy town , for these research purpose three variables has to be used such as Financial Accounting, Management Accounting, and Business performance. This study was considering relating to 100 samples elected in five type of business in Kattankudy town. Here the stratified random sampling method was used to select sample size. Total sample business owners were responded. Collected data were analyzed connection with objective one and two of this study, and presented by univariate analysis (mean and standard deviation) using SPSS computer packages. Regarding the third objective of the study bivariate analysis was used.

The results were found according to the study it reveals that the Financial Accounting and Management Accounting, are moderate level application in small business firms in selected area, while Business performance is in low level. It was found that there is moderate positive relationship between the Application of Accounting and the performance of Small business. This result is true. Finally this research concluded that level of Application of Accounting of Small business firms have a positive relationship on their level of performance in Kattankudy town.

This research is structured into five chapters. In first chapter the introduction of the study, definition addressed. In the second chapter meaning of Accounting, objective of Accounting, Accounting systems, branches of Accounting, performance level and small

business. In third chapter present the methodology of this research. In fourth chapter presents data presentation and analysis of this research. In the final chapter give discussion, conclusion and recommendation.