



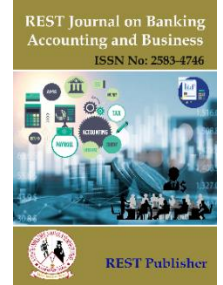
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## Recent Trends in Accounting

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**Abstract:** *The world of accounting is undergoing tremendous change as we move further into the digital age. In 2025, businesses and accounting professionals face a landscape shaped by emerging technologies, regulatory changes, and evolving client expectations. These challenges demand a proactive approach to stay competitive and compliant in a fast-paced market. From the introduction of artificial intelligence and blockchain to the financial reporting systems, the accounting profession is at a pivotal crossroads of increasing focus on sustainability and the standards initiated by International Accounting Boards... Current accounting standards include International Financial Reporting Standards (IFRS) for global entities and Indian Accounting Standards (Ind AS) for Indian companies, which are largely converged with IFRS. Other specific standards, like the US's Generally Accepted Accounting Principles (GAAP), are followed by different entities. These standards provide rules for recognizing, measuring, presenting, and disclosing financial information to ensure consistency and transparency in financial reporting. Key applications include automated invoice processing and matching, real-time fraud detection, streamlined bank reconciliations, accurate financial forecasting, and intelligent client communication through chatbots.*

**Key words:** *AI-based accounting, chatbot, AI tools, financial reporting, blockchain, Green accounting*

### 1. INTRODUCTION

AI-based accounting integrates artificial intelligence, such as machine learning and natural language processing, into accounting functions to automate tasks, improve accuracy, and provide deeper financial insights. The prominent applications include automated invoice processing and matching, real-time fraud detection, streamlined bank reconciliations, accurate financial forecasting, and intelligent client communication through chatbots. AI systems learn from historical data to become smarter over time, enabling more efficient, data-driven, and strategic financial decision-making for businesses.

### 2. USE OF AI IN ACCOUNTING

**Automation of Repetitive Tasks:** AI can automate tasks like data entry, invoice processing, transaction classification, and bank reconciliations, significantly reducing manual effort and minimizing errors.

**Data Analysis & Reporting:** AI algorithms can analyze large datasets to identify patterns, generate customized financial reports, and provide real-time insights into financial performance.

**Fraud Detection:** By monitoring transactions in real-time, AI can flag suspicious activities and irregular patterns, enhancing fraud prevention.

**Financial Forecasting:** Using historical data, machine learning models help create more accurate financial forecasts and budgets, improving resource allocation and risk management.

**Client Communication & Support:** AI-powered chatbots can handle common client inquiries, schedule meetings, and provide 24/7 support, improving customer service.

Key Benefits

**Increased Efficiency:** Automating routine tasks frees up accounting professionals to focus on more strategic and value-added activities.

**Enhanced Accuracy:** AI systems reduce human error in data processing, leading to more accurate financial records and reports.

**Better Decision-Making:** Real-time data analysis and predictive insights empower businesses to make more informed and data-driven decisions.

**Cost Reduction:** By optimizing processes and improving efficiency, AI can help lower operational costs.

**Proactive Insights:** AI shifts the focus from reactive reporting to proactive foresight, allowing businesses to anticipate future trends and challenges.

Examples of AI in Accounting

**Invoice Processing:** AI tools automatically extract data from invoices and match them with purchase orders, streamlining the accounts payable process.

**Bank Reconciliation:** Systems can instantly identify and highlight mismatches between bank statements and accounting data.

**AI-powered Tools:** Solutions like Zeni AI combine AI with human expertise for bookkeeping, expense tracking, and financial overview.

**Lease Accounting Platforms:** Specialized AI platforms, such as Trullion, automate complex standards like IFRS and US GAAP for lease and revenue recognition. The "latest" accounting software depends on specific business needs, but leading options include QuickBooks Online for its comprehensive features, Xero for multiple users and ease of use, Zoho Books for its strong mobile app and integrations, and NetSuite for enterprise-level businesses with its advanced AI capabilities and custom solutions. In India, Tally remains a pioneer for small and medium businesses, while platforms like Suvit and Refrens are new-age solutions focusing on automation and cloud-based management.

**Here are some of the latest accounting software options:** Globally Popular Options

**QuickBooks Online:** A top-rated, cloud-based solution known for its comprehensive features, user-friendliness, and integrations with other business software, making it ideal for small to medium-sized businesses.

**Xero:** A strong competitor to QuickBooks, particularly good for businesses needing to support multiple users with its feature-rich and easy-to-use platform.

**FreshBooks:** Best for service-based businesses and freelancers due to its strong focus on invoicing and ease of use.

**Zoho Books:** A cloud-based option with excellent mobile accessibility, strong integrations, and features suitable for small to medium enterprises.

Top Options in India

**Tally Prime:** A pioneer in the Indian market, it's a well-established and robust software, especially for small and medium-sized businesses, offering features like inventory management and GST compliance.

Suvit:

A new-age, cloud-based accounting automation platform specifically designed for Indian accounting professionals and CA firms.

**Marg ERP 9+:** A popular all-in-one solution for Indian businesses, particularly those in retail and distribution, offering integrated accounting, inventory, and GST compliance.

**Refrens:** An all-in-one cloud-based platform designed for Indian startups and small to medium-sized businesses. Enterprise-Level Software

**NetSuite:** A global cloud-based business management software that offers a wide array of applications including financial management, payroll, and global business management. It uses AI to automate tasks and offers customized solutions for businesses.

Factors to Consider

**Business Size & Needs:** Solutions like NetSuite are for larger enterprises, while options like FreshBooks or Zoho Books are great for small businesses.

**Features:** Consider what you need most, such as invoicing, inventory management, payroll, or specific tax and GST compliance.

**Cloud vs. Desktop:** Many modern solutions are cloud-based, offering accessibility and automatic updates, but offline options also exist.

Broader Accounting Trends in 2025

**Technology Integration:** Artificial Intelligence (AI), cloud-based software, and automation are increasingly central to accounting practices, with a focus on automating routine tasks to free up professionals for more advisory roles.

**Sustainability and ESG:** Entities are increasingly focused on providing material information about climate-related risks in their financial reports and ensuring consistency between financial and sustainability reporting.

**Talent and Skills:** There is a growing need for skilled accountants who can advise businesses and adapt to the new technological landscape and evolving expectations of the modern workforce. The accountants are in a constant need of developing their knowledge and skill updating.

### 3. GREEN ACCOUNTING

Green accounting involves incorporating environmental factors into financial reporting. It goes beyond traditional financial metrics to measure the environmental costs and benefits associated with a company's operations. This includes factors such as resource consumption, pollution, and waste generation.

Sustainability, on the other hand, focuses on meeting the needs of the present without compromising the ability of future generations to meet their own needs. Sustainable businesses strive to operate in a way that is both environmentally friendly and economically viable. By adopting green accounting and sustainability practices, businesses can reduce their environmental impact, enhance their reputation, and improve their financial performance.

### 4. CONCLUSION

The skills required to succeed in accounting today are not the same as a few decades ago. While traditional accounting skills remain important, they're no longer sufficient on their own. Today's accountants need to be proficient in data analytics, understand emerging technologies like AI, cloud computing, and blockchain, and possess a working knowledge of accounting software like QuickBooks. This necessitates significant changes in accounting education and professional development. For there have been updates to professional certification exams, such as the CA, CMA, CPA exam, which now include sections on business analysis and reporting (BAR). The knowledge of the AI applications in accounting has become mandatory for the New age Accountants.

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