

1.2: Internal and External Users

Internal and External Users

Users of accounting information are separated into two groups, internal and external. Internal users are the people within a business organization who use accounting information. External users are people outside the business entity that use accounting information. Accounting information is valuable because decision-makers both internally and externally can use it to evaluate the financial consequences of various alternatives. Accountants reduce uncertainty by using professional judgment to quantify the future financial impact of taking action or delaying action. Although accounting information plays a significant role in reducing uncertainty within an organization, it also provides financial data for persons outside the company.

1.2: Internal and External Users is shared under a [not declared](#) license and was authored, remixed, and/or curated by LibreTexts.