

Educational Bag in Accounting Readings

حقيبة تعليمية لمادة القراءات المحاسبية

إعداد

م.م. إيناس ناصر عكلة الموسوي

مدرس المادة

2023 -2022

وزارة التعليم العالي والبحث العلمي
هيئة التعليم التقني
التخصصات المالية والمحاسبية
القسم : المحاسبة

عدد الساعات الأسبوعية				السنة الدراسية الأولى	قراءات محاسبية	اسم المادة
عدد الوحدات	المجموع	عملي	نظري		Readings Accounting	
8	4	2	2		الانكليزية	لغة التدريس

أهداف المادة :

الهدف العام : يتمثل الهدف العام لهذه المادة في تعريف الطالب بالمصطلحات الانكليزية في مجال مفردات الخطة الدراسية لقسم المحاسبة ، بالشكل الذي يجعله قادرا على استيعاب المصطلحات المطروحة والتي يتعامل معها في المجالات المختلفة ذات العلاقة بالاختصاص في الجوانب الإدارية والمحاسبية.

الهدف الخاص : ويتمثل الهدف الخاص في جعل الطالب في قسم المحاسبة متمكنا من قراءة المواضيع المتعلقة باختصاصه باللغة الانكليزية ، بما يمنحه فرصة التواصل مع كل ما يستجد في حقل الاختصاص في الكتب والبحوث والمجلات وغيرها.

محتويات الحقيبة :

1. تتضمن الحقيبة الحالية على 9 محاضرات كل محاضرة تشمل على عدد من المفردات النظرية والتطبيقية من خلال الاعتماد على المصادر الحديثة.
2. تبدأ المحاضرة بنظرة تعريفية عن طبيعة المفردات المراد تناولها ، الاهداف المراد تحقيقها والمهارات التأهيلية المطلوب اكسابها .
3. تنتهي الحقيبة بمجموعة من الاختبارات النظرية والتطبيقية .
4. المصادر .

Lecture (1)

Definition of basic terms in (administrative & accounting)

التعرف على المصطلحات الأساسية في (الإدارة والمحاسبة)

اهداف المحاضرة المعرفية والمهارية :

1. التعرف على اهم المصطلحات الانكليزية العامة .
2. اعادة استخدامات بعض المصطلحات في عبارات محاسبية.
3. تحديد اهم المصطلحات الادارية المستخدمة في علم المحاسبة.

المفردات :

الاسبوع	المفردات	استخدام المصطلحات الاساسية
الأول	التعريف بالمصطلحات الانكليزية الأساسية	استخدام المصطلحات الاساسية
الثاني	التعرف على المصطلحات الأساسية في التخصصات الإدارية	استخدام المصطلحات الادارية الاساسية
الثالث	التعرف على المصطلحات الأساسية في اختصاص المحاسبة	استخدام المصطلحات الاساسية المحاسبية

المفردات

Basic terms مصطلحات اساسية		Administrative terms مصطلحات ادارية		Accounting terms مصطلحات محاسبية	
Branches	فروع	Administration	علم الادارة	Account	حساب
Calculating	يحسب	Business	اعمال	Accountant	محاسب
Analysis	تحليل	department	قسم	Profit and loss	ربح وخسارة
Annual	سنوي	entity	وحدة	Income	دخل
cycle	دورة	Company	شركة	Accounting	محاسبة
Definition	تعريف	Corporation	مؤسسة	statements	قائمة
Elements	عناصر	markets	اسواق	tax	ضريبة
equation	معادلة	Decision	قرار	Balance sheet	ميزانية عمومية
Form	شكل	Enterprise	مشروع	Balancing	ترصيد
General	عام	procedures	اجراءات	entry	قيد

information	معلومات	Management	ادارة	Budget	موازنة
journal	يومي	Manager	مدير	Credit	دائن
Level	مستوى	Organization	منظمة	Debit	مدین
Method	طريقة	Owners	المالكون	balance	رصید
Objectives	اهداف	Shareholders	المساهمون	Financial	مالي
position	مركز	Customers	زبائن	reports	تقرير
Purpose	اغراض	Suppliers	مجهزون	financial transactions	احداث مالية
Recording	تسجيل	principles	مبادئ	Trading	تجاري
Standards	معايير	policies	سياسات	Trial	ميزان
system	نظام			ledger	استاذ
theory	نظرية				
Types	انواع				

أمثلة Examples

entity = all below A) Organization. B) Enterprise. C) Corporations.	The basic accounting equation is ASSETS = LIABILITIES + EQUITY
Balance sheet= A) Financial statement. B) Financial report. C) Financial position statements	income statement= A) Financial statement. B) Financial report. C) Profit and loss statements
information accounting users. A) Owners & Shareholders. B) Customers. C) Managers	Balancing the Debit & Credit accounting= Trial Balance
Managers= A) information accounting users. B) Decision making. C)	Elements of cost: A) material, B) wages C) overhead
General ledger= Balancing of Journalizing Book	Recording transactions in Financial report. Journalizing Book

Lecture (2)

Readings of selective subjects in management

قراءات لمواضيع مختارة في مجال التخصصات الإدارية

اهداف المحاضرة المعرفية والمهارية والوجدانية :

1. الجمع بين المصطلحات الخاصة المهام الادارية وتميز دورها في العملية المحاسبية.
2. اتقان المصطلحات من خلال حل الامثلة وابتكار عبارات لربطها.

المفردات :

الاسبوع	المفردات	قراءة لمواضيع مختارة
الرابع	قراءات لمواضيع مختارة في مجال التخصصات الإدارية	قراءة لمواضيع مختارة

Management : The act of organizing & conducting a business to accomplish objectives & goals .

الإدارة : هي النشاط المعني بتنظيم وادارة الاعمال لتحقيق الاهداف والغايات.

Business : An organization that operates with the intention of making a profit .

منظمة الاعمال : وهي منظمة تعمل بهدف تحقيق الربح.

Marketing : The process of promoting, selling and distributing a product or service.

التسويق : عملية ترويج وبيع وتوزيع المنتج او الخدمة.

Product : Something produced or manufactured to be sold; a good

المنتج: شيء يتم انتاجه او تصنيعه ليتم بيعه (بضاعة)

Service : Work done for pay that benefits another.

الخدمة : العمل المنجز للحصول على اجر ليستفيد منه شخص اخر .

Supplier : An organization that provides supplies to a business .

المجهز : منظمة توفر الامدادات للمنشأة.

Customer : A customer is an individual or business that purchases the goods or services produced by a business .

الزبون: فرد او منظمة تشتري سلع او خدمات المنظمة

Control : The measurement and correction of the performance of subordinates to ensure that organizational objectives and the plans for attaining them are being met .

الرقابة: قياس وتقويم اداء المرؤوسين لضمان تحقيق الاهداف التنظيمية والخطط قد تم تحقيقها.

Efficiency : Ration of outputs to inputs. Efficiency increases when costs of inputs are reduced or value of outputs are increased .

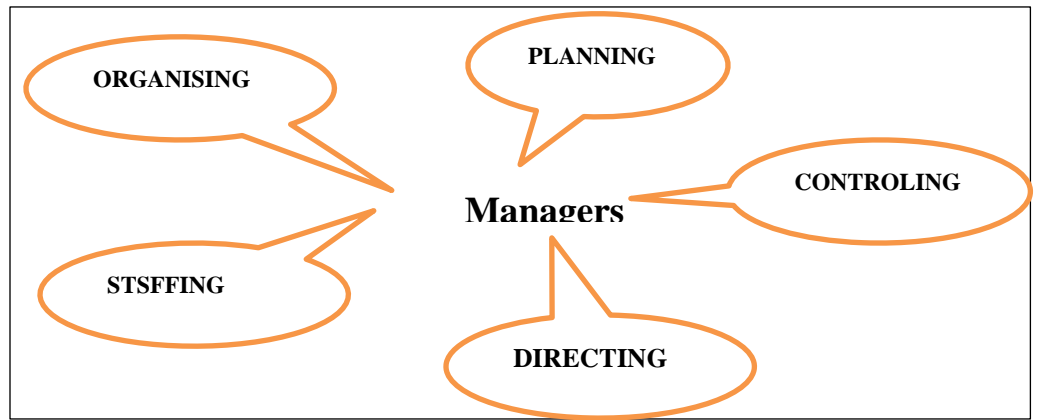
الكفاءة : نسبة المخرجات الى المدخلات (تكاليف الى ارباح) وتزداد بخفض التكاليف وزيادة الارباح

Manager is a person who is responsible for running part of or the whole of a business organization .

المدير : شخص مسؤول عن ادارة المنظمة تجارية بجزء منها او بكاملها .

وظائف الادارة (المدير) (Functions of Management (managers))

1. PLANNING
2. ORGANISING
3. STSFFING
4. DIRECTING
5. CONTROLING



3. Lecture (1)

Accounting Manager

مدير الحسابات

اهداف المحاضرة المعرفية والمهارية :

1. تحديد المقصود بالمحاسبة .
2. تصنيف وتفریق المحاسبة لعدة فروعها .
3. التعرف على اهم المنظمات والمعاهد المتخصصة.

المفردات :

المفردات	الاسبوع
تعريف المحاسبة ، فروع المحاسبة	الاسبوع الخامس
استخدام التعريف الانكليزي للمنظمات المهنية IFAC, AAA	السادس
قراءة بعض بيانات المنظمات المهنية	السابع
المحاسبة كمهنة، المنظمات والمعاهد المتخصصة	
قراءة لموضوع حول مفهوم المحاسبة	
قراءة بعض بيانات المنظمات المهنية	

An accounting manager : is a person who has responsibility for managing a company's accounting department, **this** requires in-depth financial expertise and is accountable for preparing and executing a company's fiscal strategy and financial objectives.

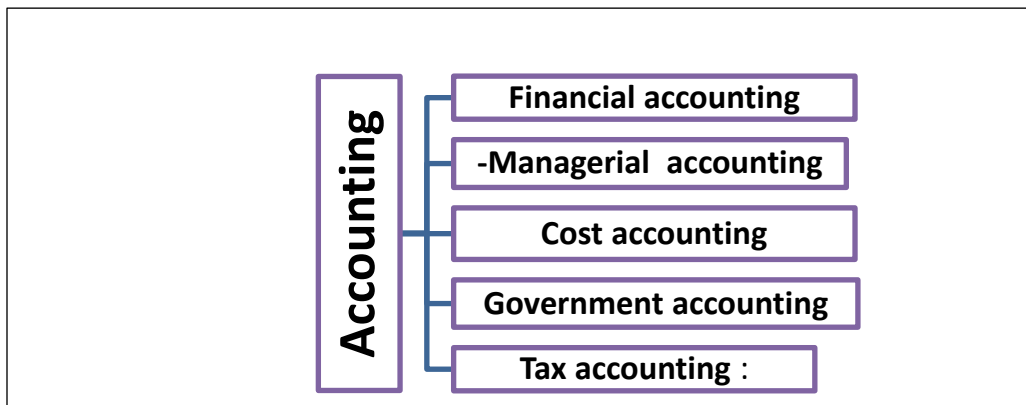
Objectives of Accounting :

1. identify and measure economics events .
2. communicate the information financial to show the results of the company.

Accounting (definition & types)

Accounting : The process of identifying, measuring and communicating information to permit judgment and decision by users of accounts ".

The accounting can be classified into the following types:



Accounting as a profession , specialized organizations & institutions

In order to practice the profession of accounting in the labor market, we needs a credential certificate, So in many countries have their own professional accountancy qualification. In the USA, for example, they are known as Certified Public Accountants (CPA).

Some countries do not have their own professional accountancy qualification in which case trainee accountants take the qualification of another country, some students in a country believe that the accountancy qualification in another country is more prestigious than their own domestic qualification. Thus some professional accountancy bodies which were originally just domestic have become international qualifications. Two examples in the UK are:

- The Chartered Institute of Management Accountants (CIMA) .

- The Association of Chartered Certified Accountants (ACCA) .

Lecture (3)

Readings of subject about accounting (concept, theory & conceptual framework)

قراءات لمواضيع محاسبية (المفاهيم والنظرية والاطار الفكري)

اهداف المحاضرة المعرفية والمهارية :

1. التعرف على نظام المعلومات المحاسبية .
2. تحديد وتصنيف المستفيدين نظام المعلومات المحاسبية.
3. تميز المصطلحات التخصصية للمحاسبية ضمن الاطار المفاهيمي .
4. تقسيم الاطار المفاهيمي للمحاسبية ضمن مستويات.
5. اتقان المصطلحات من خلال حل الامثلة وابتكار عبارات لربطها.

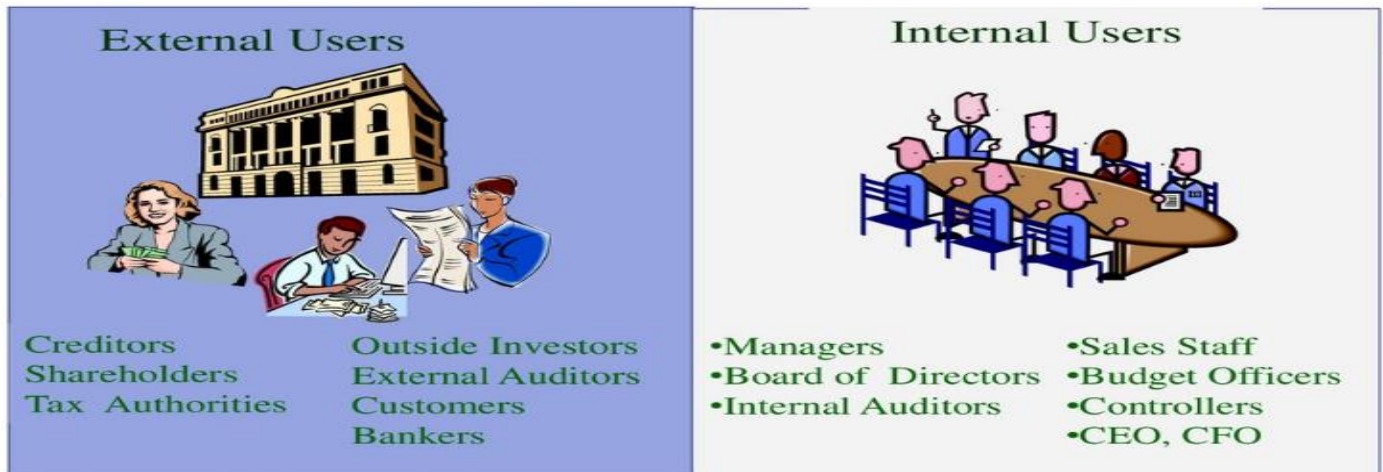
المفردات :

الاسبوع	المفردات	
الثامن	استعراض مصطلحات الإطار الفكري للمحاسبة	قراءة بعض بيانات المنظمات المهنية
التاسع	مصطلحات الفروض والمبادئ المحاسبية	كتابة واستخدام مصطلحات الاطار الفكري

Accounting Information System

Accounting Information System (AIS) is a system which collects, stores and processes the accounting and financial data.

Users of Accounting Information



• **Terms of the accounting theory & conceptual framework:**

مصطلحات في النظرية المحاسبية و الاطار الفكري

Accounting theory .	نظرية المحاسبة.	Double entry	القيد مزدوج
Conceptual framework of accounting	الإطار المفاهيمي للمحاسبة	Historical cost .	التكلفة التاريخية.
Objectives of financial reporting .	أهداف التقارير المالية.	Matching	مطابقة
Accounting principles .	مبادئ المحاسبة .	Revenue recognition	الإيرادات المتحقق
Accounting assumptions .	افتراضات محاسبية	Objectivity .	الموضوعية.
Accounting constraints .	محددات محاسبية	Full disclosure .	الإفصاح الكامل .
Accounting information .	المعلومات المحاسبية.	Materiality .	
Qualitative characteristics .	خصائص الجودة .	Conservatism	التحفظ
User specific qualities المستخدم الخاصة.	Consistency .	التناسق .
Primary qualities الأساسية.	Cost and benefit .	التكلفة والفائدة.
Secondary qualities الثانوية	Industry practices .	ممارسات الصناعة.
Basic elements	العناصر الأساسية	Monetary unit .	الوحدة النقدية .
Accounting entity	الوحدة المحاسبية	Periodicity	دورية
Going concern	الاستمرارية		

- **Accounting theory** : defined as logical reasoning in the form of a set of broad principles that provide a general frame of reference by which accounting practices can be evaluated and guide the development of new practices and procedures .

النظرية المحاسبية : التفكير المنطقي في شكل مجموعة من المبادئ العامة التي توفر إطارًا مرجعيًا عامًا يمكن من خلاله تقييم الممارسات المحاسبية وتوجيه تطوير الممارسات والإجراءات الجديدة.

The conceptual framework of accounting include three levels ترجمة مع رسم شكل للمستويات

:

- The first level Objectives of financial reporting (statements)

- The second level: Qualitative characteristics of accounting information and basic elements of financial statements.
- The Third level Measurement and recognition concepts (accounting assumptions , principles and constraints).

Lecture (4)

The levels of conceptual framework of accounting

مستويات الاطار المفاهيمي

اهداف المحاضرة المعرفية والمهارية : الخط الاحمر يعني اعادة صياغة الاهداف وترجمة او الرجوع لمحاضرات ايناس للاستفادة من الاهداف هناك

1. التعرف الاطار الفكري ومستوياته.
 2. تحديد المقصود بالقوائم المالية وتميز بينها بحسب الهدف.
 3. تصنيف عناصر كل قائمة بحسب الغرض من القائمة .
 4. مقارنة خصائص القوائم المالية مع اهم الخصائص المعيارية المتفق عليها.
- المفردات :

قراءة بعض بيانات المنظمات المهنية	استعراض مصطلحات الإطار الفكري للمحاسبة	الثامن
كتابة واستخدام مصطلحات الاطار الفكري	مصطلحات الفروض والمبادئ المحاسبية	التاسع

The first level :Objectives of financial reporting (statements):

The general objective is to provide useful information about the company to current and potential investors, lenders and other creditors according to their ability to be understood as providers of capital.

The financial statements include the following:

- A. **Income statement** It objective to determine the result of entity operations "profit or loss" at the end of period .

**Example Corporation
Income Statement
Years ended December 31**

(in thousands of dollars)

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Net sales	\$ 3,980	\$ 3,750	\$ 3,400
Cost of sales	<u>3,100</u>	<u>2,950</u>	<u>2,700</u>
Gross profit	880	800	700
Selling, general and administrative expenses	<u>640</u>	<u>590</u>	<u>510</u>
Operating income	240	210	190
Interest expense	20	15	15
Loss on sale of equipment	<u>5</u>	<u>-</u>	<u>4</u>
Income before income taxes	215	195	171
Income tax expense	<u>50</u>	<u>40</u>	<u>36</u>
Net income	<u>\$ 165</u>	<u>\$ 155</u>	<u>\$ 135</u>

See notes to the financial statements.

B. Financial position statement (or balance sheet)

Its objective is to determine the financial position of the entity at a specific date.

**Balance Sheets
December 31, 2004 and 2003**

	2004	2003		2004	2003
Assets			Liabilities		
Current assets:			Current liabilities:		
Cash.....	\$ 12,597	\$ 8,173	Note payable.....	\$ 4,200	\$ 4,752
Short-term investments.....	5,003	3,517	Accounts payable.....	375	15
Accounts receivable.....	2,315	3,750	Accrued wages.....	1,579	1,149
Prepaid Rent.....	3,000	3,000	Taxes payable.....	5,386	4,722
Total current assets.....	<u>22,915</u>	<u>18,440</u>	Total current liabilities.....	<u>11,540</u>	<u>10,638</u>
Property, plant and equipment:			Long-term debt.....	<u>50,000</u>	<u>20,000</u>
Land and building.....	65,553	28,369	Owner's Equity		
Machinery and equipment.....	5,000	3,511	Total owners' equity.....	<u>27,789</u>	<u>20,159</u>
	70,553	31,880	Total liabilities and		
Less accumulated depreciation....	<u>5,775</u>	<u>4,321</u>	owners' equity.....	<u>\$ 89,329</u>	<u>\$ 50,797</u>
Property and equipment, net.....	<u>64,778</u>	<u>27,559</u>			
Long-term investments.....	1,353	4,587			
Other assets.....	283	211			
Total assets.....	<u>\$ 89,329</u>	<u>\$ 50,797</u>			

C. Statement of cash flows

Its objective is to determine the cash inflows (receipts) and cash outflows (payments) of the entity for a specific period of time.

Sample Corporation
Statement of Cash Flows
Year Ended December 31, 2021

Cash flows from operating activities	\$ xxx
Cash flows from investing activities	xxx
Cash flows from financing activities	xxx
Net increase (decrease) in cash	xxx
Cash at the beginning of the year	xxx
Cash at the end of the year	\$ xxx

See notes to the financial statements.

D. Statement of changing in owner's equity

It objective to determine the changes in owner's equity of the entity during the period.

Statement of Owner's Equity

(a)	Beginning net worth	3,011,901
	Net farm income	46,573
	Personal income (+)	56,037
	Family living expense (-)	83,894
	Income taxes accrued (-)	29,233
	Change in personal assets (+)	-4,522
	Change in nonfarm accounts payable (+)	-6
(e)	Total change in net worth	-15,045
	Ending net worth	2,996,856

The second level : Qualitative characteristics of accounting information and basic elements of financial statements

A/ Basic elements of financial statement.

ELEMENTS OF FINANCIAL STATEMENTS



B/ Qualitative characteristics of accounting information

Information Cost-benefit Constraint	Understandability	Usefulness		Characteristic	Definition	Qualities	Information Materiality Constraint
				Primary Qualities	Relevance	Makes a difference in a decision	
Secondary Qualities	Reliability	Is faithfully presented	<i>Primary:</i> - Verifiability - Representational faithfulness <i>Secondary:</i> - Neutrality				
	Comparability	Allows comparison between or among different entities					
	Consistency	Allows comparison within a single entity from one accounting period to the next					

The Third level : Measurement and recognition concepts (accounting assumptions , principles and constraints)

A. Assumption is an expression that can accepted or rejected. Assumptions are made in order to understand or confirm the surrounding circumstances and events and build ideas or circumstances in their light to help achieve or reach goals.

Accounting assumptions are:

1. Economic Entity Assumption:
2. Going Concern Assumption:
3. Monetary Unit Assumption
4. Periodicity Assumption

B. Accounting Principles -they are general rules and provisions for accounting decisions (taken by the accountant) that derive from each of the accounting objectives and concepts and help in setting technical assumptions for recording, accounting and reporting financial operations:

1. Measurement Principle: (formerly the principle of historical cost)
2. Revenue Recognition Principle.
3. Expense Recognition principle
4. Full Disclosure Principle

C. **Accounting Constraints** They represent controls or restrictions under which the accountant works and cannot bypass them, and they are:

1. Cost Constraint

Lecture (5)

Readings of Some of International Standards-Setting Organizations

اهداف المحاضرة المعرفية والمهارية :

1. التعرف على المؤسسات الدولية المتخصصة في المحاسبة .
2. تمييز بين المعايير المقبولة دوليا والمعايير المعمول بها في العراق.

المفردات :

الاسبوع	المفردات	
الثاني عشر	المعاهد المهنية والجهات الدولية في مجال المحاسبة	قراءة بعض النصوص في نظرية المحاسبة
الثالث عشر	لجان إعداد المعايير المحاسبية	التعرف على المنظمات المهنية والمعاهد الدولية
الرابع عشر	قراءات في معايير المحاسبة المالية	قراءة معايير محاسبية
الخامس عشر	قراءات في معايير المحاسبة الحكومية	قراءة معايير محاسبية

For many years, many nations have relied on their own standards-setting organizations, The standards issued by these organizations are sometimes principles based, rules-based, tax-oriented, or business-based. In other words, they often differ in concept and objective.

Example: Two organizations issue accounting standards that are used in the United States:

a) Financial Accounting Standards Board (FASB) :

A private organization that establishes generally accepted accounting principles (GAAP). FASB is the most important body for developing rules on accounting practice. This independent body has been designated by the Securities and Exchange Commission (SEC) to issue Statements of Financial Accounting Standards.

b) International Accounting Standards Board (IASB)

An accounting standards-setting body based in London , United Kingdom that issues standards adopted by many countries outside of the United States. IASB has approved more than 40 international financial reporting standards (IFRS).

8. Readings of financial accounting standards.

- **Accounting standard** is a common set of principles, standards & procedures that define the basis of accounting policies & practices. Accounting standards improve the transparency of financial reporting in all countries.

A. Generally Accepted Accounting Principles (GAA

Uniform set of principles, rules, procedures, standards and guidelines of financial accounting and reporting, developed by the FASB .

B. International Financial Reporting Standards) IFRS:)

Generally Accepted Accounting Principles are heavily used among public and private entities in the United States. The rest of the world primarily uses IFRS. Multinational entities are required to use these standards. The IASB establishes and interprets the international communities' accounting standards when preparing financial statements.

Lecture (6)

Readings in Enters and Accounting transactions.

قراءات في القيود والمعاملات المحاسبية

اهداف المحاضرة المعرفية والمهارية :

1. التعرف على المعاملات التي تقوم بها المنظمة.
2. تحديد اهم الخطوات للزمة لاثبات معاملات المنظمة محاسبية.
3. • ما هي الدورة المحاسبية للمعاملات، وما هي متطلباتها.
4. • ما هي المعادلة المحاسبية .
5. • ما المقصود بالقيود المحاسبية وتتميز بين انواعه، اعداد قيد بحسب كل نوع .

المفردات :

الاسبوع	المفردات	
العاشر	قراءات في نظرية المحاسبة ، مداخل ومناهج الفكر المحاسبي	كتابة مصطلحات الفروض والمبادئ
الحادي عشر	قراءات في نظرية المحاسبة، أشكال ومخططات	قراءة بعض النصوص في نظرية المحاسبة
السادس عشر	القيود المحاسبية ، نماذج مختلفة	قراءة معايير محاسبية
السابع عشر	القيود المحاسبية، قراءات متعددة، الجوانب الشكلية	استخدام القيود المحاسبية

Book –keeping: is an art of recording accounting transactions in a set of books , while the accounting is the language of business for all activities and practices .

A. Transactions: are economic events of a business that are recorded by accountants.

المعاملات: هي الأحداث الاقتصادية للمنظمة المسجلة من قبل المحاسبين.

Any business transaction is an accounting transaction if:

كل معاملات المنظمة ممكن ان تكون محاسبية اذا توفرت :

-There is a real exchange between two parties. هناك تبادل فعلي بين الطرفين.

-There is an effect for this transaction on any of the elements of accounting equation (assets , liabilities , & /or owner's equity) هناك تأثير لهذا التبادل على بنود المعادلة المحاسبية (اصول ، خصوم)

B. Transaction analysis

Transaction analysis is the first step to identify the type of account involved and then to determine whether a debit or a credit to the account is required , and then prepare the journal entry .

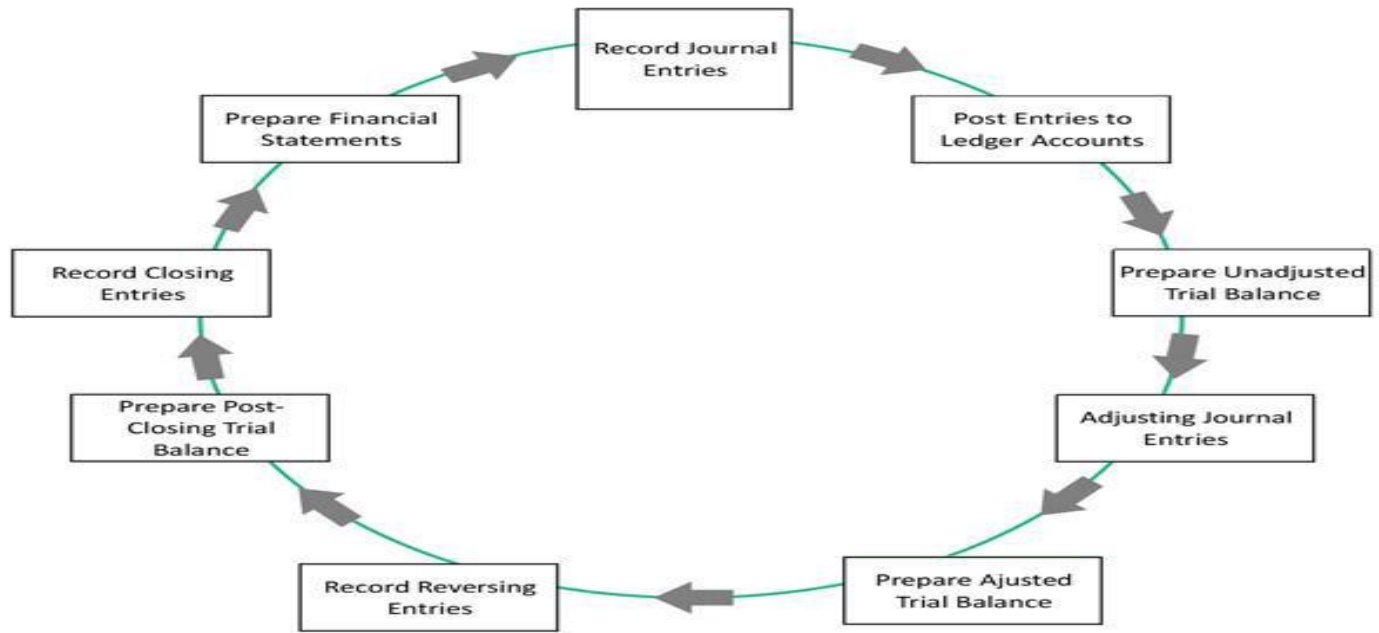
C. Accounting cycleالدورة المحاسبية

Accounting cycle is a series of steps (activities) performed in an accounting period that help the business to keep its records in ordinary form. It cycle can be divided into the following steps :

Accounting cycle steps.

a. Analyzing transactions from source documents	تحليل المعاملات من وثائق المصدر.
b. Recording transactions via journal entries .	تسجيل المعاملات عبر قيود اليومية.
c. Posting journal entries to ledger accounts .	تسجيل قيود اليومية في سجل الأستاذ
d. Preparing unadjusted trial balance .	اعداد ميزان المراجعة
e. Preparing adjusting entries at the end of period	اعداد قيود التسوية
f. Preparing adjusted trial balance	اعداد ميزان المراجعة المعدل
g. Preparing financial statements	اعداد القوائم المالية

Accounting Cycle



Transaction analysis is the first step to identify the type of account involved and then to determine whether a debit or a credit to the account is required , and then prepare the journal entry.

تحليل المعاملات هو الخطوة الأولى لتحديد نوع الحساب المتضمن ثم تحديد ما إذا كان مدين أو دائن للحساب المطلوب ، ثم تحضير قيد دفتر اليومية.

- **Debit** is the name for the left side of an account . Debit represents increase in assets and decrease in liabilities and owner's equity.
المدين : الجانب الأيسر من الحساب. يمثل الخصم زيادة في الأصول ونقصًا في المطلوبات وحقوق ملكية المالك.
- **Credit** is the name for the right side of an account . Credit represents decrease in assets and increase in liabilities and owner's equity.

الدائن : الجانب الأيمن من الحساب. يمثل الدائن انخفاضاً في الأصول وزيادة في المطلوبات وحقوق ملكية المالك.



D. Accounting equation

Basic accounting equation

Assets = Liabilities + Owner's equity

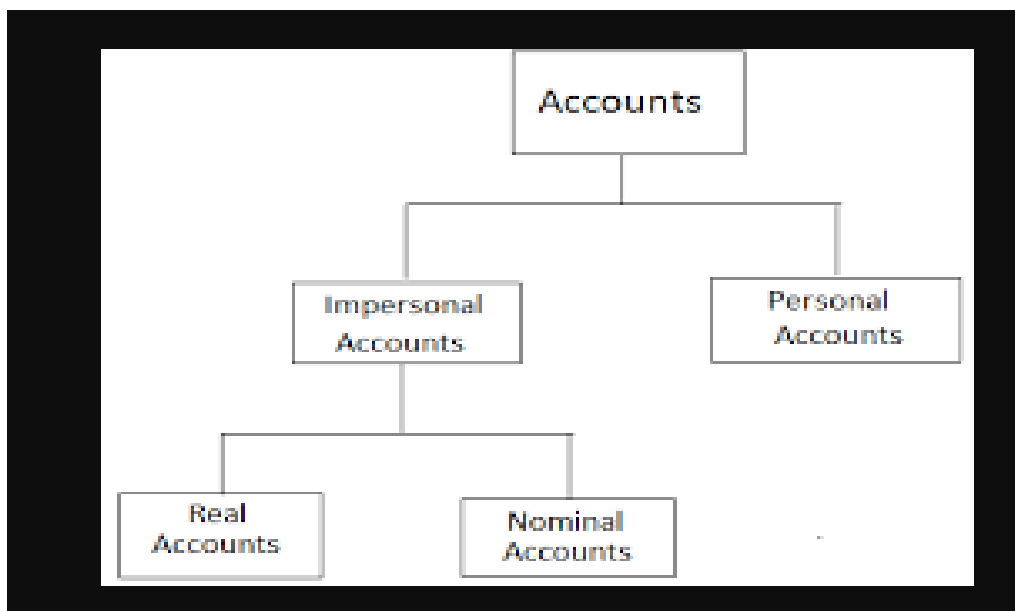
Expanded accounting equation

Assets = Liabilities + Owner's equity + Revenues - Expenses



E. Classification of accounts

The accounts are classified into three groups as follow :



- **Personal accounts** are defined by personal names including all types of economic entities such as corporations , firms ,universities ... etc .
:Fore example
 - Ali's account. - Karbala university account.
 - Customers of credit sales (debtors) account (accounts receivable).
 - Suppliers of credit purchases (creditors) account (accounts payable).

- **Real accounts** are the assets accounts either tangible or intangible assets .
:Fore example
 - Cash account. - Building account.
 - Furniture account. - Land account.

- **Nominal accounts** are the accounts of revenues , gains , expenses , losses . At the end of the accounting period nominal accounts are closed in final accounts (trading account or profit and loss account) .
Fore example :
 - Sales account. - Purchases account. - Rent account.
 - Losses from selling a fixed asset account .

No.	Account Involved	Classification of Account	
		Modern	Traditional
1.	Cash a/c	Asset	Real
	Capital a/c	Capital	Personal
2.	Purchases a/c	Expense	Nominal
	Cash a/c	Asset	Real
3.	Cash a/c	Asset	Real
	Sales a/c	Revenue	Nominal
4.	Purchases a/c	Expense	Nominal
	Cash a/c	Asset	Real
5.	Accounts receivable a/c	Asset	Real
	Sales a/c	Revenue	Nominal
6.	Furniture a/c	Asset	Real
	Cash a/c	Asset	Real
7.	Machinery a/c	Asset	Real
	Cash a/c	Asset	Real
8.	Wages expense a/c	Expense	Nominal
	Cash a/c	Asset	Real
9.	Drawings a/c	Withdrawal	Personal
	Cash a/c	Asset	Real

Lecture (7)

Journalizing اليومية

Entering transactions data in the journal known as **journalizing**.

Components of journal entry

A complete entry consists of :

- 1-The **date** of transaction .
- 2- The **accounts and amounts** to be debited and credited .
- 3- **Brief explanation** of transaction .

Simple and compound journal entry

1-Simple journal entry

If an entry involves **only two accounts** , one debit and another credit , it is considered a simple entry

General journal

Date	Account title and Explanation	Ref.	Debit	Credit
2005 July 2	Cash Capital Capital invested for cash		1400000	1400000

2- Compound journal entry

If an entry involves **three or more accounts** , in one journal entry , it is considered a compound entry .

General journal

Date	Account title and Explanation	Ref.	Debit	Credit
2005 July 14	Equipment Furniture Cash Purchasing equipment and furniture for cash		220000 80000	300000

Exercise: Ali started his business by the following transactions:

- 1- On January 2, 2020, capital invested by Ali for cash IQD200000000.
- 2- On January 4, 2020, purchased land for cash IQD 50 000 000 .
- 3- On January 5, 2020, purchased furniture from Mohammed on account for IQD 800 000.
- 4- On January 7, 2020, Paid sundry expenses IQD 250 000.
- 5- On January 8, 2020, Purchased goods from Al- Mustafa company for IQD 3 000 000, paid cash IQD 1200 000, and the remind on account.
- 6- On January 9, 2020, received a loan from Al-Rushed bank for IQD 5 000 000.
- 7- On January 9, 2020, received cash as commission IQD 500 000 .
- 8- On January 12, 2020, sold goods to Sameer on account for IQD 950 000.

9- On January 16 , 2020 , sold goods for cash IQD 800 000,.

Required :

- 1-Use the accounting equation to show the effect of every transaction of previous transactions on the assets , liabilities and owner's equity.
- 2- Record the previous transactions in the journal.

Lecture (8)

Readings in General ledger Trial Balance قراءات في دفتر الأستاذ وميزان المراجعة

اهداف المحاضرة المعرفية والمهارية :

1. تجميع المعلومات المالية وتلخيصها وتصنيفها ضمن ارصدها.
2. اتقان عملية الترسيد والترحيل تمهيدا لأعداد ميزان المراجعة
3. التعرف على تسجيل ايرادات ومصاريف المنظمة.
4. تحديد وتصنيف عناصر حساب المراجعة.
5. حالة تطبيقية.
6. تسجيل نتائج عمل المنظمة في حساب الارباح والخسائر.
7. حالة تطبيقية.

المفردات :

استخدام القيود المحاسبية	المصطلحات الخاصة بحساب المتاجرة	الثامن عشر
استخدام حساب المتاجرة	قراءات لمواضيع في حساب المتاجرة	التاسع عشر
استخدام حسابات المصاريف	المصطلحات الخاصة بالمصاريف	العشرون
استخدام حسابات الايرادات	المصطلحات الخاصة بالإيرادات	الحادي والعشرون
استخدام حساب الارباح والخسائر	قراءات لمواضيع خاصة بالأرباح والخسائر	الثاني والعشرون

What is a general ledger?

The general ledger is one of the main accounting books that pertain to the accounting cycle. It also enables us to get some of the accounting information, as it is a book that is specific to one financial period only, and it is opened at the beginning of the fiscal year and closed at the end of it.

As it is dedicated to each account of the financial institution, as each of its accounts is opened at the beginning of the period, a page is allocated to it, and it is closed at the end of the financial period. ☞

As the general ledger consists of a table with two parties, where the first party is the debtor and the second party is the creditor, and it is recorded day by day in the operations ledger, everything that is updated.

Types the ledger

There are two types from the ledger:

1-General ledger

As it is considered the main account for some of the subsidiary accounts, as it becomes clear to us that the balance of the general ledger account is the sum of the balances of those auxiliary accounts. عِبْرَةٌ.

2-Assistant ledger

It is considered among the sub-accounts of the general ledger.

classification of ledger accounts

ledger Account : is an accounting record of increases and decreases in a specific asset , liability or owner's equity item .

Basic form of an ledger account

The simplest form of an **ledger** account consists of :

- 1-The **title** of an account.
- 2- The **left** or debit side.
- 3- The **right** or credit side.

Title of an account	
Left or debit side	Right or credit side
Credit balance	Debit balance
Total	Total

Assets	
↑ Increase debit Normal balance	Decrease credit ↓ Normal balance
Total	Total

Liabilities	
↓ Decrease debit Normal balance	Increase credit ↑ Normal balance
Total	Total

Liabilities	
Decrease debit ↓	Increase credit ↑
Normal balance	
Total	Total

Capital	
Decrease debit ↓	Increase credit ↑
Normal balance	
Total	Total

Revenues	
Close debit	Normal balance
Total	Total

Expenses	
Normal balance	Close credit
Total	To

Trial Balance

A trial balance: is a financial report showing the closing balances of all accounts in the general ledger at a point in time. Creating a trial balance is the first step in closing the books at the end of an accounting period.

What Is a Trial Balance?

A trial balance is a bookkeeping worksheet in which the balance of are compiled into debit and credit account column totals that **ledgers** all are equal. A company prepares a trial balance periodically, usually at the end of every reporting period. The general purpose of producing a trial balance is to ensure the entries in a company's bookkeeping system are mathematically correct.

A trial balance (accounts balances)

Accounts	De	Cr
Cash	xxx	
Capital		xxx
Equipment	xxx	
Furniture	xxx	
Land	xxx	
Purchased	xxx	
Sales		xxx
commission	xxx	
loan	xxx	
Sundry expenses	xxx	
Sundry revenue		xxx
Total		

EX// The following account balances have been extracted from the **Exercise** ledger record for Sharar Trading Company:

Cash 2 000 000, Capital 170 000 000, Equipment 30 000 000,

Furniture 1000 000, Land 100 000 000, Purchased 50 000 000

Sales 14 000 000, commission 700 000, , Sundry expenses 450 000, Sundry revenue 150 000.

Required: Prepare a trial balance

Lecture (9)

الميزانية والاندثار والكلفة والتدقيق

المفردات :

استخدام حسابات الموجودات	المصطلحات الخاصة بالموجودات	الثالث والعشرون
استخدام حسابات المطلوبات	المصطلحات الخاصة بالمطلوبات ورأس المال	الرابع والعشرون
استخدام حسابات قائمة المركز المالي	قراءات لمواضيع خاصة بقائمة المركز المالي	الخامس والعشرون
استخدام حساب الاندثار المخزون	المصطلحات الخاصة بالاندثار والمخزون	السادس والعشرون
استخدام مصطلحات محاسبة التكاليف	قراءات لمواضيع خاصة بالاندثار والمخزون	السابع والعشرون

استخدام مصطلحات محاسبة التكاليف	المصطلحات الخاصة بمحاسبة التكاليف	الثامن والعشرون
استخدام المصطلحات الخاصة بالتدقيق والرقابة الداخلي	قراءات لمواضيع خاصة في محاسبة التكاليف	التاسع والعشرون والثلاثون

اضافة مصطلحات

Financial position statement (or balance sheet)

It objective to determine the financial position of the entity at a specific date.

Balance sheet example

TEDDY FAB INC. BALANCE SHEET December 31, 2100		LIABILITIES AND SHAREHOLDERS' EQUITY	
ASSETS		Current liabilities	
Current assets		Accounts payable	\$ 30,000
Cash and cash equivalents	\$ 100,000	Notes payable	10,000
Accounts receivable	20,000	Accrued expenses	5,000
Inventory	15,000	Deferred revenue	2,000
Prepaid expense	4,000	Total current liabilities	47,000
Investments	10,000		
Total current assets	149,000		
Property and equipment		Long-term debt	200,000
Land	24,300	Total liabilities	247,000
Buildings and improvements	250,000		
Equipment	50,000	Shareholders' Equity	
Less accumulated depreciation	(5,000)	Common stock	10,000
		Additional paid-in capital	20,000
Other assets		Retained earnings	197,100
Intangible assets	4,000	Treasury stock	(2,000)
Less accumulated amortization	(200)	Total liabilities and shareholders' equity	\$ 472,100
Total assets	\$ 472,100		

-What is cost accounting ? ماهية محاسبة الكلفة ?

provides the detailed information that management needs to control current operations and plan for the future Management uses this information to decide how to allocate resources to the most efficient and profitable areas of the business.

توفير المعلومات التفصيلية التي تحتاجها الإدارة لإدارة العمليات الحالية والتخطيط للمستقبل. • تستخدم الإدارة هذه المعلومات لتحديد كيفية الحصول والتخصيص للموارد لأكثر اقسام المنظمة من حيث الكفاءة والربحية.

-Cost accounting: is the process of measuring, analyzing, and reporting financial and nonfinancial information related to the costs of acquiring or using resources in an organization.

محاسبة الكلفة: هي عملية قياس وتحليل والإبلاغ عن المعلومات المالية وغير المالية المتعلقة بتكاليف للحصول على الموارد أو استخدامها في المنظمة.

-Objectives: الأهداف

- 1 - Ascertainment of cost. التأكد من التكلفة.
- 2- Determination of selling price. تحديد سعر البيع.
- 3- Cost control and cost reduction. مراقبة وتقليل الكلف.
- 4- Ascertaining the profit of each activity. التحقق من ربح كل نشاط.
- 5- Assisting management in decision-making. مساعدة الإدارة في اتخاذ القرار.

Auditing

Auditing is to verify the accuracy of of financial statements in accordance with international accounting standards and ensuring their correctness and fairness. Auditing is related to accounting, but it is an independent specialty.

The auditor's job lies in collecting evidence to ensure that the data is correct or that there is an error. The financial audit process aims to provide physical evidence to confirm the validity of the data. After examining these data in all respects, and giving a true and fair picture of those reports, to increase the value and credibility of the financial statements issued by the management, there are two main branches of financial auditing: internal audit and external audit.

Types of checking أنواع التدقيق

There are two types of auditing: external auditing (audits are conducted by people outside the facility), and internal auditing (a process carried out by employees from within the facility).

External Audit

The external auditor is a process by which the independent external auditor examines the financial statements and accounting records in order to give an opinion on the fairness of the financial statements and accounts and their compliance with Generally Accepted Accounting Principles GAAP or International Financial Reporting Standards IFRS.

internal audit

The internal auditor is performed by the internal auditor, who is an employee within the company, and aims to provide it with information for the use of the management, and the internal audit information is often for use inside the company and not outside it.

The audit profession derives its importance from the human need to verify the correctness of the accounting data on which he depends in making decisions and drawing policies.

Solution & question

Q1: Transactions made by Virmari & Co., a public accounting firm, for the month of August 2018 are shown below .

- .1The owner invested \$25,000 cash in the business.
- .2The company purchased \$7,000 of office equipment on credit.
- .3The company received \$8,000 cash in exchange for services performed.
- .4The company paid \$850 for this month's rent.
- .5The owner withdrew \$1,000 cash for personal use.

Instructions

- a) Prepare a tabular analysis which shows the effects of these transactions on the expanded accounting equation.
- b) Journalizing the above transaction.
- c) Open ledger accounts and post the transactions.

Q2 / Kathy James opens a wholesale sports items shop in Mexico named as Kathy Sports Point. During the March month 2018, she engages in the following transactions:

- Mar. 01: Kathy invests \$50,000 in the business.
- Mar. 05: She purchases sports items costing \$30,000.
- Mar. 12: She sells sports items to a retailer for \$8,000 cash, the cost of the sports items sold is \$5,000.
- Mar. 14: Kathy takes \$200 cash for her personal use.
- Mar. 20: She sells sports items to a retailer for \$12,000 cash, the cost of the sports items sold is \$8,000.
- Mar. 24: She gifts some sports items to a friend. The cost of gifted items is \$100.
- Mar. 25: Kathy purchased sports items on credit \$4,000.
- Mar. 28: She pays \$50 to an organization as charity.
- Mar. 31: She pays monthly rent of the shop amounting to \$250.
- Mar. 31: She pays salary to the salesman amounting to \$1,000.

Instructions

- a) How would above transactions impact the accounting equation of Kathy Sports Point? Expand the basic accounting equation.
- b) Journalize the March transactions. (Use J1 for the journal page number).

Q3 / The following accounts come from the ledger of Snow Go Company at December

: .2012 '31

Equipment \$88,000 - Owner's Capital 20,000 - Owner's Drawings 8,000 - Cash 7,000

Salaries & Wages Payable 2,000 -Accounts Payable 22,000 - Notes Payable 19,000 - Insurance Expense 3,000 - Accounts Receivable 4,000 - -Salaries Wages Expense 42,000

Prepaid Insurance 6,000- Service Revenue 95,000

Instruction: Prepare a trial balance in good form.

Snow Go Company

Q 4/: Rowand Enterprises had the following selected transactions in Jan. 2018.

- .1Aaron Rowand invested \$4,000 cash in the business.
- .2Paid office rent of \$1,100.
- .3Performed consulting services and billed a client \$5,200.
- .4Aaron Rowand withdrew \$700 cash for personal use.

Instructions :(a) Indicate the effect each transaction has on the accounting equation

(Assets _ Liabilities _ Owner's Equity), using plus and minus signs.

b) Journalize each transaction. (Omit explanations).

Q 5/ : Josh Cephus has prepared the following list of statements about accounts.

- .1An account is an accounting record of either a specific asset or a specific liability.
- .2An account shows only increases, not decreases, in the item it relates to.
- .3Some items, such as Cash and Accounts Receivable, are combined into one account.
- .4An account has a left, or credit side, and a right, or debit side.
- .5A simple form of an account consisting of just the account title, the left side, and the right side, is called a T-account.

Instructions: Identify each statement as true or false. If false, indicate how to correct the statement.

- .1 False. An account is an accounting record of a specific asset, liability, or owner's equity item.
- .2 False. An account shows increases and decreases in the item it relates to.
- .3 False. Each asset, liability, and owner's equity item has a separate account.
- .4 False. An account has a left, or debit side, and a right, or credit side.

5. True.

1. The economic events of a business that are recorded by accountants.
Transactions, accounting equation, both
2. **Transactions** The economic events of a business that are recorded by any one .
3. Transactions : economic events recorded by accountants.
4. In Transactions There is a real exchange between two parties.
accounting, business, economic events.
5. **accounting Transactions** : has a real exchange on four parties.
6. Accounting cycle is a series of steps performed in an.....
accounting period, economic period, both.
7. **Accounting cycle** help the business to keep its records in any form.
8. The 2nd step in is Analyzing transactions from source documents
Accounting cycle, journal entries, not from above.
9. **The last step in Accounting cycle is** Analyzing transactions from source documents.
10. After Recording transactions via journal entries we should .
Posting ledger, Preparing financial statements, both.
11. **We should** Preparing adjusting entries at the end of period.
12. Preparing financial statements : last step in Accounting cycle.
13. **Identify the type of account in the first step of**.....
journal entries, **Accounting** cycle, Analyzing transactions.
14. **increase in assets & decrease in liabilities : Debit.**
15. **Credit is the left side of an account.**
16. record of increases & decreases in a specific asset
Account, Debit Credit.
17. **Debit:** is an accounting record of increases in a specific asset.
18. **Accounts types** : Real, Personal.
19. **Real accounts** : Cash, Building, Furniture, Land.
20. **Losses from selling a fixed asset account is Real Account.**
21. Expanded accounting equation
- 22.

The Accounting Equation

ASSETS = LIABILITIES



+

OWNER'S EQUITY



23.

	Close credit
Normal balance	
Total	Total

24. Expenses , liabilities, loss

25. Assetes , expenses, withdrawal : debit ??

26. **Simple & Compound journal entry** : Type of journal entry??.

27. **Type of journal entry** :

Simple journal entry , **Compound journal entry** , **both**

28. the number of goods or services sold in a given time period .

Sales returns, Purchases, Sales.

29. **gross loss occurs where the cost of goods sold More than the sales revenue.**??

30. **Sales** :number

31. of goods sold in a given time period . ??

32. trading account : determine the gross profit or loss of an entity at the end of period??.

33. Accounting cycle : series of steps performed in an accounting period .??

34. What is the **correct** accounting entry to record the following journal operations?

المصادر

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