

Abdelhafid Boussouf University Center – Mila

Institute of Economic, Commercial and Management Sciences

Departement of Economics

LECTURES ON : Introduction to Accounting

Addressedt to first year economics students – Second semester

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Academic year 2023-2024

First year economics

Lesson five: Introduction to Accounting

Objective:

By the end of this lesson, students will understand the basic concepts of accounting and its importance in tracking money.

Introduction:

Accounting is like keeping score of your finances. It helps you understand where your money comes from and where it goes. Let's learn about the basics of accounting in simple terms.

1. What is Accounting?

Accounting is the process of recording, summarizing, and analyzing financial transactions. It's like keeping a diary of your money.

2. Keeping Track of Money:

Accounting helps you keep track of how much money you have, how much you owe, and how much you've spent. It's like having a personal assistant who organizes your financial information.

3. Types of Accounts:

Assets: Things you own that have value, like money in the bank, your car, or your house.

Liabilities: Things you owe money for, like loans or credit card debt. **Income:** Money you earn, like from your job or investments.

Expenses: Money you spend, like on rent, food, or utilities.

4. Financial Statements:

Balance Sheet: Shows your assets, liabilities, and equity at a specific point in time.

Income Statement: Summarizes your income and expenses over a period of time to show your profit or loss.

Cash Flow Statement: Tracks the flow of cash in and out of your business over a period of time.

5. Importance of Accounting:

Helps you make informed financial decisions by providing accurate information about your finances.

Provides insights into your financial health and helps you plan for the future.

Essential for businesses to track their performance, attract investors, and comply with regulations.

Conclusion:

Accounting is essential for managing your money effectively. By understanding the basics of accounting, you can take control of your finances, make better decisions, and achieve your financial goals. Whether you're managing your personal finances or running a business, accounting principles help you keep your financial house in order.

المحاسبة – Accounting

الأصول – Assets

الالتزامات – Liabilities

الدخل – Income

المصروفات – Expenses

القائمة المالية - Balance Sheet

البيان الدخل - Income Statement

بيان تدفق النقد - Cash Flow Statement