

高职高专
商务英语类专业
规划教材

会计英语

Accounting English

◆ 主编 韩福才 孙志洁 ◆



武汉理工大学出版社
Wuhan University of Technology Press

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江苏工业学院图书馆
藏书章

武汉理工大学出版社

内 容 提 要

《会计英语》重点结合我国会计实践工作,并融合了国内外财务会计教学内容,综述了会计的含义、作用、会计职业、会计准则的制定及公认会计原则等基本知识;从会计专业的角度,全面系统地阐述了会计核算的基本经济业务、基本方法、基本程序和基本技能,概括介绍了会计分析的方法及运用,并对会计的最新发展动态做了简明扼要的介绍。主要用英语讲解财务会计操作实务,重点包括资产负债表、利润表、现金流量表、复式记账法、流动资产核算方法、长期资产核算方法、负债与股东权益核算方法以及会计报表分析等内容。本教材的特点是简洁、实用、贴切、丰富,适合国际会计惯例。

本书共分九个单元,每个单元包括标题、正文、专业术语英汉对照及练习题四个部分。本书介绍了大量国际会计事项所涉及的会计处理方法,尤其强调对各交易事项对财务报表的影响分析,强调对学生国际会计报表编制与分析能力的培养。

本书主要适用于高职高专商务英语、会计电算化、财务会计、审计等专业以及相关专业教学使用,也可供成人教育和自学使用。

图书在版编目(CIP)数据

会计英语/韩福才,孙志洁主编. —武汉:武汉理工大学出版社,2009.8

(高职高专商务英语类专业规划教材)

ISBN 978-7-5629-2966-6

I. 会… II. ①韩… ②孙… III. 会计-英语 IV. H31

中国版本图书馆 CIP 数据核字(2009)第 130405 号

出版发行:武汉理工大学出版社

地 址:武汉市洪山区珞狮路 122 号 邮编:430070

<http://www.techbook.com.cn> 理工图书网

印 刷 厂:武汉理工大印刷厂

开 本:787×1092 1/16

印 张:8.5

字 数:212 千字

版 次:2009 年 8 月第 1 版

印 次:2009 年 8 月第 1 次印刷

印 数:1—3000 册

定 价:15.00 元

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出版说明

随着改革开放的进一步深入和经济全球化趋势的加快,我国对外经贸活动将更加活跃,无论沿海或内地,经贸活动的外向性将更加明显。所有这些都对培养既具备较强的英语交际能力,又具备扎实的商务及外贸运作知识的商务英语专业人才提出了迫切要求。

据统计,目前我国开设商务英语及其相关专业的高职高专院校已达到几百所,其课程设置从传统的老三门课程“外刊选读”、“外贸函电”、“外贸口语”发展到包括管理学、经济学、国际贸易等学科的一些主干课程的综合课程体系。如何改革高职高专的商务英语教育机制,加强这一层次的商务英语学科建设、课程体系建设,特别是教材建设,对人才培养具有十分重要的现实意义。为此,武汉理工大学出版社和全国二十多所高职高专院校决定联合组织编写一套适合高职高专教学需要的“高职高专商务英语类专业规划教材”。

本系列教材的主要特点如下:

◆**知识性**。本系列教材以高职高专商务英语专业基本课程建设为依据,紧紧围绕国际商务的各种主题与实际的业务内容,广泛取材于当代国内外商务活动,内容覆盖面较广,知识含量较多,而单位章节的篇幅适中,以期学生能在有限的学习时间里接触到更丰富、多层次、跨学科的全面的专业知识。

◆**实用性**。本系列教材在适当介绍理论知识的基础上,着重强调实践环节的设计。几乎每本教材的每个章节都穿插了适当的案例分析、阅读资料、练习题等,部分教材还配备了相应的录音CD,注重培养学习者运用商务英语知识与技能从事国际商务工作的实际应用能力。为方便教师教学和学生自学,本系列教材还配有电子课件和课后习题的参考答案等资料。

◆**针对性**。本系列教材既重视对英语知识的传授,又兼顾商务知识的介绍,从而使学习者既学习国际经贸知识,又掌握当代流行的国际商务英语。

◆**趣味性**。本系列教材的趣味性体现在语言生动活泼、案例新鲜实用、思想新颖独到等方面,希望通过寓教于乐的方式,加深学生对相关知识的记忆与理解,以更好地掌握相关的学习内容。

本系列教材的编写者大多是从事商务英语或国际经贸教学和工作的专家和一线教师,有丰富的教学经验和科研成果,从而保证了教材的编写质量,使其具有一定的指导性与权威性。

本系列教材主要适用于高职高专商务英语、国际商务、国际贸易、涉外事务管理等专业相关课程的教学。

武汉理工大学出版社

2009年7月

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前 言

迈入新世纪,随着经济全球化和市场国际化的发展,我国将更多地参与国际竞争,与世界日益接轨。英语作为国际商务用语变得越来越重要,社会也越来越迫切地需要既有专业知识又能熟练运用英语的专业人才。在这一新形势下,专业英语已经进入了很多高校的课程之中。21 世纪是一个充满机遇和挑战的时代,它为当前的专业英语教学提出了更新、更高的要求。怎样才能有效地提高学生的实际语言运用能力,培养既有专业知识又能熟练运用英语的人才,使学生所学的知识跟上时代的节奏,符合社会经济生活的实际需求,已成为英语教育工作者的历史责任。正是在这样的时代要求背景下,我们编写了本教材。

本书的编写目的是为了适应我国目前高等教育改革、高等职业教育发展的需要,体现高等职业教育培养目标及办学特色。由于高等职业教育特别强调学生职业技能的培养与训练,因而本书的主要目标就是向学习者提供丰富的会计英语资料,帮助学生提高阅读英文会计文献和使用英语处理常规会计业务的能力。

本书较系统地介绍了会计核算的基本原理,适当扩充了会计专用英语术语,书中内容经过精心筛选和提炼,引进了当代国际会计发展的新知识与新技能,力求在帮助学生掌握会计专业词汇的同时,通过教学使学生能够较为全面地学习西方会计专业知识,满足对外交流与合作的需要。

本书的文字内容浅显易懂,理论知识以必需、够用为度。面向的专业广泛,不仅能适用于商务英语专业、会计电算化专业,而且能适用于其他经济类、管理类等非会计专业。

本书强调理论联系实际,着重培养学生在学习过程中分析问题、解决问题的能力,在每单元后都有由浅入深的练习题,以巩固学生课堂上的学习成果。

本书在编写过程中,力图充分体现“浅、宽、精、新、用”的教学改革思想,充分体现高等职业教育的特色,以达到培养具备高等职业技术应用能力和基本素质的高技术应用型专门人才的目的。其中:

“浅”指的是难易度适中,专业词汇和课文内容不生晦难懂,使学生能够通过浅显易懂的学习就可以掌握相当丰富的会计英语知识。

“宽”指的是内容所涉及的知识点和知识面较为广泛,除了会计专业知识以外,还包括相关的经济、管理等非会计专业方面的知识。

“精”指的是内容精益求精,力求每一个单词、每一句话,乃至每一个理论陈述和技能实践方面都细致准确。

“新”指的是内容紧跟时代步伐,在指导学生传统的基础会计理论及实践技能知识的同时,适当增加新时代、新形势、新背景、新环境下所出现的新问题、新现象,并引导学生运用所学的知识和技能来分析这些新问题和新现象。

“用”指的是实用,本书最终目的就是让学生掌握会计专业英语知识并熟练运用这些知识处理日常的会计事务,尤其是涉外会计业务,与学生自身所学的会计专业理论与技能有机结合,达到学以致用目的。

在教学过程中,可通过指导学生课前预习,使学生对要学习的内容有一个大概的了解,重点是对会计专业英语词汇和陈述的理解;在课堂讲授环节,一方面加强学生对会计英语的理解和熟悉程度,避免学生简单地把会计英语理解为“会计+英语”,而应认识到会计英语是一种专业语言,要把自身所学的英语知识与会计专业知识有机结合起来,避免生搬硬套;在指导学生进行实践操作练习时,可以课后习题为出发点,既强调理论知识的语言类陈述型练习,又加强体现会计专业特色的常规会计业务技能训练,使学生能够举一反三,达到触类旁通的目的;此外,为了调动学生学习会计英语的积极性,可不要求学生掌握全部给出的词汇和语法注释。

本书主要内容包括西方会计实务中运用的会计学原理、财务会计,以及较简单的成本会计和银行会计知识。全书共分九个单元。第一单元为会计总论和会计学原理;第二、第三单元介绍账簿及会计循环;第四单元为从原始凭证开始到会计报表为止的完整的会计程序;第五、六、七、八单元为财务会计中的资产负债表项目,包括固定资产、流动资产、长期负债、流动负债、股本与库存股份以及留存收益与股利;第九单元为简单的成本会计和银行会计理论知识。每一个单元后面都有相关的专业词汇注释及适量的各类会计专业英语习题。

本书由商丘职业技术学院经贸系韩福才和孙志洁担任主编。具体编写分工如下:第一单元和第二单元由孙志洁编写;第三单元由程玉静编写;第四单元、第五单元和第六单元由韩福才、王红英编写;第七单元和第八单元由李永巍和韦修玲编写;第九单元及附录由柴玉山编写。全书由韩福才负责总纂。

本书主要适用于高职高专、成人教育、本科院校举办的二级职业技术学院的商务英语、会计电算化、财务会计、审计等专业以及相关专业的教学,也可供从事经济管理工作的有关人员参考阅读。

本书在编写过程中,得到了各位编写者所在单位领导及同事的大力支持,也参阅了大量的文献和著作,在此,对这些领导、同事及各参阅文献的作者一并表示衷心的感谢。

由于编者水平有限,书中难免有错误和疏漏之处,恳请广大读者、教育界同仁和专家学者给予批评指正。

编 者
2009 年 5 月

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Unit 1

Accounting: a General Introduction

1.1 Definition of Accounting

As one of the oldest profession, accounting is often called “the language of business”. It is as old as the civilization of human. The acceleration of change in our society has contributed to increasing complexities in this “language”, which is used in recording and interpreting basic economic data for individuals, enterprises, governments and other entities.

But some people often misunderstand accounting as bookkeeping, which is a process of accounting, the means of recording transactions and keeping records. Bookkeeping is the day-to-day record-keeping involved in the process of accounting, moreover, it is a small, simple but important part of accounting. Early definitions of accounting generally focused on the traditional record-keeping functions of the accountant. The American Institute of Certified Public Accountant (AICPA) defined accounting as “the art of recording, classifying, and summarizing in a significant manner and in terms of money, transactions and events which are, in part at least, of a financial character, and interpreting the results thereof”. The modern definition of accounting, however, is much broader. It is defined as “an information system that measures, processes, and communicates financial information about an identifiable economic entity”. Encyclopedia defines accounting as “the process of maintaining, auditing, and processing financial information for business purposes”.

Therefore, the modern accountant is concerned not only with record-keeping but also with a whole range of activities involving planning, problem solving, evaluation, review, and auditing. Today’s accountant focuses on the ultimate needs of those who use accounting information, whether these users are inside or outside the business itself. Accounting is a link between business activities and decision makers. Accounting measures businesses business activities by recording data about them for future use. Then through data processing, the data are sorted and processed to become useful information. Last, the information is communicated, through reports, to those who can use it in making decisions.

1.1.1 Users of Accounting Information

Accounting and accounting information are used dramatically and commonly. The users of



accounting information can be divided roughly into two groups:

- (1) those who have a direct interest in the business including management;
- (2) those who have an indirect interest in the business.

The direct users include the present and potential investors. They are interested in the past success of the business and its potential earnings in the future; the present and potential creditors also have direct interest in the business. Most companies must borrow money for operating needs. The creditors, who lend money or deliver goods and services before being paid to the company, are interested in whether the company will have cash to pay the interest and repay the debt at fixed time. Banks, finance companies, mortgage companies, securities firms, suppliers, and individuals who lend money expect to analyze a company's financial position before making a loan to the company; the management is the group in a business who has overall responsibility for operating the business and for achieving the business goals. In a small business, management may include the owners of the business; In a large business, management often consists of hired managers. Managers must make the right decisions on the basis of timely and correct information.

Tax Authorities Governments are financed through the collection of taxes, such as income taxes, social security and payroll taxes. Each tax requires special tax returns and often a complex set of records as well. Tax authorities don't have direct financial interest in the company, but they usually analyze the tax status undertaken by a business to establish tax policy. Those who advise investors and creditors have an indirect interest in the financial performance of a business. Included are financial analysts and advisers, brokers, lawyers, economists and the financial press. Also the customers and the general public are concerned about the operating results, the effects that corporations have on inflation, environment, social problems, and the quality of life.

1.1.2 Accounting Profession

There are several types of accounting in practice. The most common types are public accounting, government accounting, management accounting, and internal auditing.

Public accountants who usually are Certified Public Accountants (CPAs) work in their own business or work for accounting firms that provide accounting services to individuals, businesses, and governments. Those services contain accounting, auditing, tax, and consulting services. Some public accountants concentrate on tax matters, some public accountants advise the companies of the compensation or employee health-care benefits. Some public accountants specialize in forensic accounting.

The profession flourishes in China. China needs about 350 thousand CPAs. In the future 10 years, CPAs will be on the top of the list of the first 15 kinds of persons with ability that are most needed in China.

Government accountants may work for the local or state level. Their main tasks are to administer and formulate budgets, to track costs and to analyze programs. They must follow special procedures and regulations and reports for government officials. They have good opportunity to be controller or to be put in higher administrative positions.

Management accountants work in companies and help the management make decisions. They provide the management advice about capital budgeting and business analysis. Their work involves analyzing new contracts and expenses efficiently. It also includes the analysis of the organizations. In addition, management accountants create budgets and manage costs and assets.

Internal auditors check accounting ledgers and financial statements within companies. The main tasks that they go in for are: to take training to keep skills up to date; to create and develop auditing systems for companies or individuals; to determine and record the value of real property.

1.1.3 The Accounting Standards Setting Bodies

With the development of the definition of accounting, the principles of accounting have also changed. They are not natural laws in the sense of the laws of physics and chemistry. They are man-made rules that depend for their authority upon their general acceptance by the accounting profession. Currently, the Financial Accounting Standards Board (FASB), which is composed of seven full-time members, develops the principles. The FASB develops its statements by using a feedback process, in which interested people and organizations can participate by communicating their opinions to the FASB. First, the FASB writes a discussion memorandum, which explains the topic under current consideration. Then public hearings are held. The groups that most consistently offer opinions about proposed FASB statements are the Securities Exchange Commission (SEC), the American Institute of Certified Public Accountants (AICPA), individual public accounting firms, the American Accounting Association (AAA), and companies with a direct interest in a particular statement that has been proposed by the FASB.

1.1.4 Generally Accepted Accounting Principles

To be useful, financial accounting information must be assembled and reported objectively. Those who must rely on such information have a right to be assumed that the data are free from bias and inconsistency—whether deliberate or not. For this reason, financial accounting relies on certain standards or guides that have been proved useful over the years in imparting economic data. These standards are called generally accepted accounting principles.

The most fundamental concepts underlying the accounting process are (1) an economic entity assumption, (2) a going-concern assumption, (3) a monetary unit assumption, and (4) a periodicity assumption. The basic principles followed by accountants in recording business transactions can be classified as (1) the historical cost principle, (2) the revenue realization principle, (3) the matching principle, (4) the consistency principle, (5) the full disclosure principle, and (6) the objectivity principle. These principles relate basically to how assets, liabilities, revenues, and expenses are to be recognized, measured, and reported.

1.2 The Accounting System

1.2.1 Accounting Elements

Financial accounting information is classified into the categories of assets, liabilities, owner's equity, revenues, expenses, and net earnings (or net loss). A good understanding of these accounting elements will be a good start in learning financial accounting.

Assets

Assets are the economic resources that are owned or controlled by a business and can be expressed in monetary units. Assets can be classified into current assets and non-current assets. Current assets are the economic resources that would be liquidated within one year or one operating cycle (whichever is longer). Examples of current assets include cash, short-term investment (marketable securities), notes receivable, accounts receivable, supplies, inventories, etc. Non-current assets consist of long-term investment and those economic resources that are held for operational purposes. Examples of this kind of assets include plant and equipment, natural resources, and intangible assets.

Liabilities

Liabilities are the obligations or debts that a business must pay in money or services at some time in the future. They represent creditor's claim or equity on the firm's assets. Liabilities can be divided into current liabilities and long-term liabilities. Current liabilities are the debts that are due within one year or the normal operating cycle, whichever is longer. Examples of current liabilities include notes payable, short-term accounts payable, accrued expenses, taxes payable, and current portions of long-term payable. Long-term liabilities are the debts whose maturity period is longer than one year. Long-term notes, mortgages, and bonds payable are common examples.

Owner's Equity

Owner's equity represents the owner's interest in or claim upon a business net assets which is the difference between the amount of assets and the amount of liabilities. Owner's equity includes owner's investment in a business and accumulated operating results since the beginning of the operation. Capital, proprietorship, net worth and shareholders' equity are the other terms of owner's equity.

Revenues

Revenues are the economic resources flowing into a business as a result of operational activities (such as providing goods or services to other economic entities). Sales revenue, service revenue, and investment revenue are subdivisions of revenues. Increase in revenues will increase owner's equity.

Expenses

Expenses are the outflow of a business's economic resources resulting from the operational

activities (such as purchasing goods or receiving services from other economic entities). They are the cost of doing business activities. Cost of goods sold, administrative expenses, selling expenses, and financial expenses are special terms of expenses. Increase in expenses will decrease owner's equity. Revenues and expenses are the subdivisions of owner's equity.

Net Earnings (or Net Loss)

Net earnings (or Net loss) is the result of matching revenues with expenses.

1.2.2 Accounting Equation and the Trial Balance

A business is just like a box. In this box, there are many kinds of contents and the claim on these contents. We use the economic resources to describe these contents. The value of these contents must equal the value of the claim on contents. Another term for claim is equities. Thus, a company can be viewed as economic resources and equities:

$$\text{Economic Resources} = \text{Equities}$$

For each company, some of the economic resources are gained from owners and the other parts are borrowed from creditors. Thus, the equities of economic resources are classified into two types: owner's equity and creditors' equity. Thus

$$\text{Economic Resources} = \text{Creditors' Equity} + \text{Owner's Equity}$$

In accounting, the term for economic resources is assets and creditors' equity is liabilities. When revenues exceed expenses, net income occurs, and visa versa. The relationship between the accounting elements can be expressed in a simple mathematical form known as the accounting equation:

$$\text{Assets} = \text{Liabilities} + \text{Owner's Equity}$$

On the basis of the accounting equation, the financial position and the operating result of a business can be recorded and reported to the interested users.

1.2.3 Types of Business Organizations

The three basic forms of business organization are the proprietorship, the partnership, and the corporation. Whatever the form, accountants use the entity concept to keep the business's records separate from the personal records of the people who run it. Accountants at all levels must be ethical to serve their intended purpose.

A business owned by one person is called a sole proprietorship or a single proprietorship. It is a popular and frequently used form of business organizations. It is prevalent in the retail industry, handicrafts, agriculture, forestry, fishery, and other service and family workshops.

The simplicity and flexibility make the sole proprietorship popular in most cases. It can be set up, modified, bought, sold or terminate very quickly. But everything the proprietors and family own is always at risk in both personal and business activities.

Partnership is an organization which is formed by at least 2 persons and does not need to incorporate in the registration centre. The legal procedure is simple but the liability of the owners is unlimited. Partnership is an easy way of assembling enough financial and physical resources to make



it possible to set up or continue a business. If the firm is going to be bankrupt, the whole of the assets of the firm and owners should be paid to the debts. For an LLP (i. e. limited liability partnership), the feature is that the liability of the owners is limited. And the liability is limited by the registered capital.

For an LTD (i. e. limited corporation), the procedure of the registration is most complex and the requirements are most strict. It should be registered in the registration centre and opened after obtaining the certification. An LTD must have at least 2 executive directors. The liability is limited by the registered capital.

1.2.4 The Effects of Business Transactions on the Accounting Equation

Every business transaction which is to be considered for accounting i. e. every accounting transaction, has its effect on the fundamental accounting equation. Each transaction alters the expressions forming the equation in such a way that the accounting equation is satisfied even after such an alteration. The values forming the various terms of the expressions within the equation are altered in such a way that the basic fact/rule/equation (i. e. Capital + Liabilities = Assets) is always satisfied.

1.3 Recording Business Transactions

1.3.1 The Double-entry System; the Basic Method of Accounting

In the 15th century, a Franciscan Monk, Lucas Pacioli, described a method of arranging accounts in such a way that the dual aspect (present in every account transaction) would be expressed by a debit amount and an equal and offsetting credit amount. Double-entry system is the system under which each transaction is regarded to have two fold aspects and both the aspects are recorded to obtain complete record of dealings. Double-entry system of bookkeeping adheres to the rule that for each transaction the debit amount(s) must equal the credit amount(s). That is why this system is called Double-entry.

Advantages of Double-entry System

- (1) It enables to keep a complete record of business transactions.
- (2) It provides a check on the arithmetical accuracy of books of accounts based on equality of debit and credit.
- (3) It gives the results of business activities either profit or loss during the accounting period.
- (4) It tells the financial position of the business at a point of time. Total resources of the business, claims of the outsiders, amount due by outsiders etc. are revealed by a statement known as Balance Sheet.
- (5) It makes possible comparison of the current year with those of previous years helping the owner to manage his business on better lines.

(6) It reduces the chances of errors creeping in the accounting records because of its equality principle.

(7) It helps to ascertain the details regarding any account easily and accurately. Other systems of bookkeeping. In addition to the double-entry system, there is also single-entry system.

The single-entry system is a system of bookkeeping in which as a rule only records of cash and of personal account are maintained; it is always incomplete double entry varying with circumstances. Such system may be economical but it is incomplete, unscientific and full of defects.

1.3.2 Recording Business Transactions

Define key accounting terms: account, ledger, debit, and credit. The account can be viewed in the form of the letter "T". The left side of each T-account is its debit side. The right side is its credit side. The ledger contains a record for each account, groups and numbers accounts by category in the following order: assets, liabilities, and owner's equity (and its subparts, revenues and expenses).

Apply the rules of debit and credit. Assets and expenses are increased by debits and decreased by credits. Liabilities, owner's equity, and revenues are increased by credits and decreased by debits. The side—debit or credit—of the account in which increases are recorded is that account's normal balance. Thus the normal balance of assets and expenses is a debit, and the normal balance of liabilities, owner's equity, and revenues is a credit. The withdrawals account, which decreases owner's equity, has a normal debit balance. Revenues, which are increases in owner's equity, have a normal credit balance. Expenses, which are decreases in owner's equity, have a normal debit balance.

Record transactions in the journal. The accountant begins the recording process by entering the transaction's information in the journal, a chronological list of all the business's transactions.

Post from the journal to the ledger. The information is then transferred to the ledger accounts. Posting references are used to trace amounts back and forth between the journal and the ledger. Businesses list their account titles and numbers in a chart of accounts.

Prepare a trial balance. A trial balance is a summary of all the account balance in the ledger. When double-entry accounting has been done correctly, the total credits in the trial balance are equal.

Set up a chart of accounts for a business. The first step in accounting is to set up the chart of accounts.

Analyze transactions without a journal. Decision-makers may often make decisions without a complete accounting system. They can analyze the transactions without a journal.

We can now trace the flow of accounting information through these steps:

Business Transactions → Source Documents → Journal Entry → Posting to Ledger → Trial Balance.