

Principles of Accounting

**Prepared by
Dr. Rasha ALJerd**

MGM 227

Introductory lecture



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Dr. Rasha ALJerd:

Assistant Professor in Accounting/Auditing
More than 10 years experience in teaching
Auditor in one of big 4 audit firms
Accounting experience in different sectors.

The environment of Accounting:

Accountants: Not just counters

- Varied and interesting work in a variety of roles
- More focus on analytical and communication skills.

Non-accountants: Benefits of basic understanding:

- Engineers: product design; costs and prices
- Marketing: maximize sales
- HR: major organizational cost
- Managers: Planning and measuring performance.

Accounting evolves as society and business changes:

- Some of these **changes** include:
 - rapid developments in information and communication technologies
 - increasing demand for information about organizational impact
 - globalization of business
 - development of international regulations and standards

1– Course Description:

This course is a comprehensive introduction to financial accounting concepts, techniques, rules, and utilization.

We develop an understanding of exactly what financial accounting seeks to accomplish and how accurate accounting gives critical insight into the operations of a business.

Topics include the different types of accounting systems, the way that business activity generates accounting data, the appropriate way to record that data, how to categorize that data into financial statements, how to generate financial ratios from the data, and how accounting info can drive management decision making.

2- Course Objectives:

Upon completion of this course, students should be able to:

- A. Introduce accounting in general.
- B. Identify the basics of financial accounting through the accounting cycle for service and merchandise business.
- C. Apply the theoretical foundation of financial accounting (concepts, assumptions, and principles) and the financial statements of a profit seeking enterprise.
- D. Perform the different steps of the accounting cycle for service and merchandising businesses

3- Intended Learning Outcomes of the Course:

A- Through knowledge and understanding, students will be able to:

- * Identify the basis of measurement, presentation, and disclosure issues related to items presented in income statements and balance sheets .
- * Define journal and ledger.
- * Specify the significance of alternative accounting procedures.
- * List the appropriate theories, principles, and concepts relevant to financial accounting.

B-Through intellectual skills, students will be able to:

- *Apply an appropriate judgment in selecting and presenting information using various methods relevant to financial accounting.
- *Discuss a reasonable argument to solve familiar and unfamiliar problems relevant to financial accounting

C- Through general and transferable skills, students will be able to:

- *Articulate appropriate effective written and oral communication skills relevant to accounting.
- *Demonstrate the ability to work effectively as part of a group, Involving leadership, group dynamics and interpersonal skills relevant to financial accounting.
- * Show how to solve problems relevant to financial accounting using ideas and techniques .

4- Topics:

The background to accounting.

Financial Statements and Business Structure.

Accruals & Deferrals.

Introduction to Financial Statements.

Cash Management & Financial Assets.

Depreciation & Intangible Assets.

Short-Term & Long-Term Liabilities.

The Statement of Cash Flows.

Balance sheet.

5 – Course Outline:

Chapter 1: Accounting and the Business Environment

Chapter 2: Transaction Analysis and The Accounting Equation

Chapter 3: Recording Business Transactions

Chapter 4: The Adjusting Process

Chapter 5: Preparing Financial Statements

Chapter 6: The closing entries and Post-Closing Trial Balance

Chapter 7: Completing the Accounting Cycle

Chapter 8: Intangible Assets & Short-Term & Long-Term Liabilities & Reporting the Statement of Cash Flows

Chapter 9: AI in Accounting

6- List of References:

- Meigs, R, , Williams J., Haka S. and Bettner M., 1999, Accounting the Basis For Business Decisions, McGraw-Hill; 11th Edition, New York.
- John J. Wild, Ken W. Shaw & Barbara Chiappetta, 2015, Fundamental Accounting Principles, McGraw-Hill Education; 22nd edition, New York.



Thank You