

Chapter 1

Fundamentals of Accounting

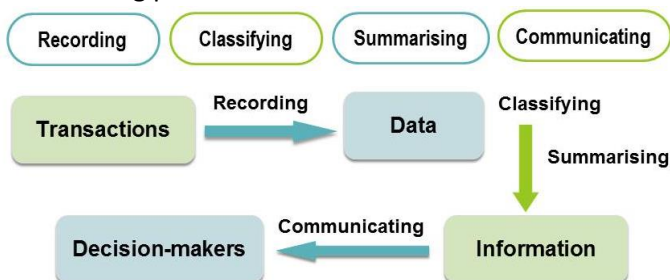
What is accounting?

Bookkeeping

- Bookkeeping refers to the process of recording **transactions** and keeping **financial records**.
- In the past, accounting was also known as bookkeeping because all financial records were kept in **books**.
- Today, business transactions are usually processed by **computers** and financial records are kept in electronic files.

Functions of accounting

- Accounting performs four basic functions:



- **Recording transactions**

- All daily transactions of firms are carefully recorded and become **accounting data**.

- **Classifying data**

- Accounting data are classified according to their **nature**.
- For example, separate records are usually kept for revenues, expenses, resources owned by the firm and amounts owed to others.

- **Summarising data**

- Accounting data are summarised to provide **relevant** information for users. They are then presented in different types of financial statements.
- For example, the income statement summarises the **financial performance** of a business during a certain period.
- The balance sheet summarises the **financial position** of a business as at the end of a period.

- **Communicating information**

- Users are provided with **financial statements**.
- Accountants should extract the **relevant** information when communicating with different users, and explain the key results using simple terms, ratios and graphs. This is because:
 - Different users have different areas of concern, and
 - Most of the accounting terms and calculations shown in financial statements are not easily understood by the **general public**.

第一章

會計學基本原理

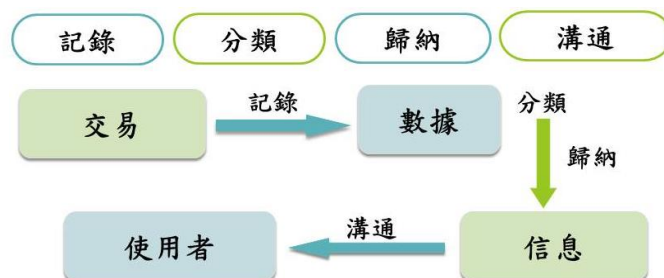
會計是甚麼?

簿記

- 簿記是指記錄**交易**和保存**財務記錄**的過程。
- 在過往，所有帳目都記錄在**帳簿**內，所以會計又稱為簿記。
- 時至今日，商業交易資料大多經由**電腦**處理，財務記錄也會保存在電子檔案內。

會計的功能

- 會計有四種基本功能：



- **記錄交易**

- 所有交易項目必須仔細記錄下來，成為**會計數據**。

- **進行數據分類**

- 會計數據須按照其**性質**進行分類。
- 例如，企業通常會為收益、費用、擁有的資源和欠下的負債分別保存獨立的記錄。

- **歸納數據**

- 會計人員會歸納會計數據，為使用者提供**相關**信息。經過歸納的會計信息會展示於不同種類的財務報表內。
- 例如，損益表總結企業在某一期間的**財務表現**。
- 資產負債表則總結企業在期末的**財務狀況**。

- **與使用者溝通**

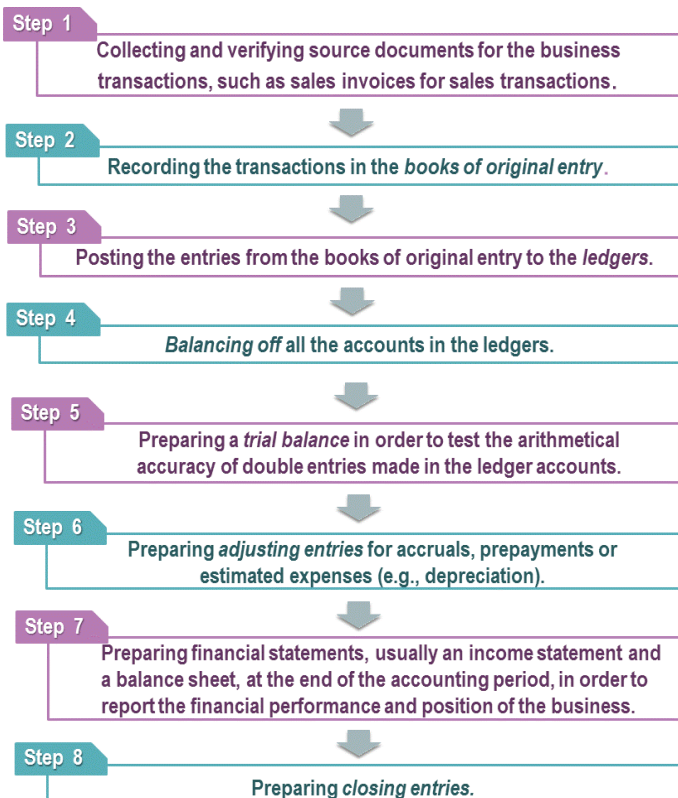
- 企業會向使用者提供**財務報表**。
- 與不同的使用者溝通時，會計人員應摘取**相關**的信息，並使用簡潔用語、比率和圖表，解釋財務報表上的關鍵資料。這是因為：
 - 不同使用者所關注的事項並不一樣，加上
 - 很多列示在財務報表上的會計詞匯及計算對於**普羅大眾**來說是難以理解的。

Importance of accounting

- Accounting provides financial information about a business, which is useful for **decision-making**.
- Many different types of people and organizations need this information, including business owners, management, potential investors and the **Inland Revenue Department**.
- Without accounting, these people and organisations would not know a firm's actual **financial situation** and the results of its business and would be unable to make **informed** decisions.

Accounting cycle

- An accounting cycle refers to a series of standard procedures for the **recording** and **processing** of a firm's accounting data in a certain period (usually a year).
- The same procedures will be **repeated** period after period.
- In general, accounting cycle has the following steps:



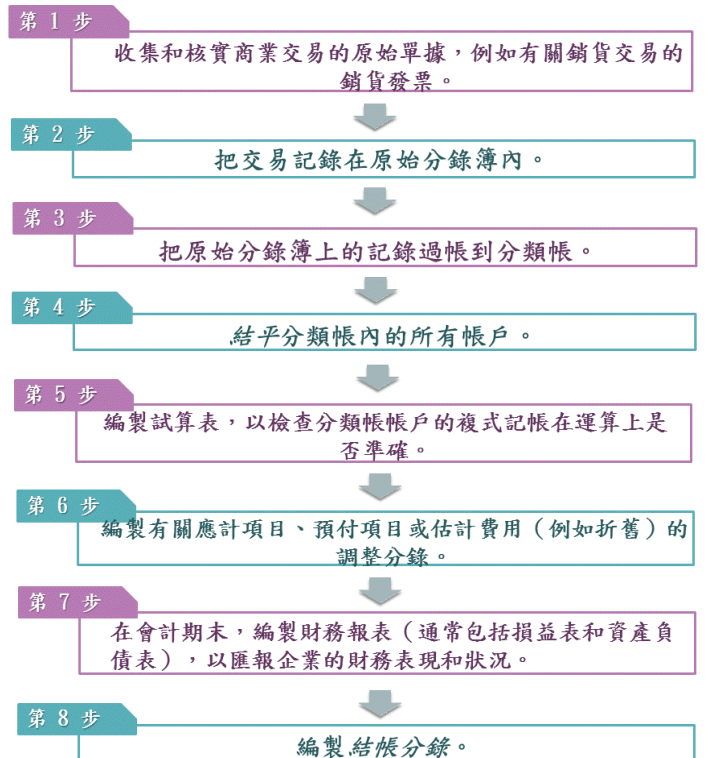
- **Books of original entry (day books)**
are the books which are first recorded.
- **Ledgers**
Ledgers are the books in which transactions are recorded in accounts by means of double entry.
- **Adjusting entries**
These entries are known as period-end adjustments, year-end adjustments or balancing day adjustments.
- **Permanent accounts (real accounts)**
Whereas others accounts will be closed off, permanent accounts will be carried forward to the next accounting period.

會計的重要性

- 會計提供企業的財務信息，有助我們作出**決策**。
- 不同類別的人士或機構都須要使用會計信息，包括企業的東主和管理人員、潛在投資者和**稅務局**。
- 如果上述人士或機構無法獲取會計信息，他們便不能得知企業實際的**財務狀況**和業績，以致無法作出**明智**的決策。

會計循環

- 會計循環是指在某一期間（通常是一年），企業**記錄**和**處理**會計數據的標準程序。
- 企業在每個期間**重複**整套流程的每個步驟。
- 一般來說，會計循環有下列步驟：



- **原始分簿錄 (日記簿)**
是指用作首次記錄交易的帳簿。
- **分類帳**
在分類帳中，交易會按照複式記帳法，記錄在不同的帳戶內。
- **調整分錄**
這些分錄項目稱為期末調整或年終調整。
- **永久性帳戶 (實帳戶)**
部分分類帳帳戶會被結清，而永久性帳戶的餘額則會轉到下一個會計期。