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Chapter(1)

The Conceptual framework of accounting

الإطار المفاهيمي للمحاسبة

A Conceptual framework is like (constitution) that leads the accounting system .The conceptual framework of accounting is made of three levels. the first level is a presented the objectives of financial reporting. And the second level is presented Qualitative characteristics of

accounting information .while the third level is the presented
The recognition and measurement Concepts: (Assumptions
, principles, and
constraints)
the chapter presents the accounting function as a book-
keeping until the accounting became as an
information
system having all the features of the science.

The first level: objectives of financial reporting.

A- The concept of book- keeping . مفهوم مسك

السجلات

The accounting is often confused with book –keeping.

book- keeping: is an art of recording business transactions in a set of books.

Book- keeping: is a mechanical process that records the routine economic activities of business.

1- Definition of book-keeping.

تعريف مسك السجلات

- book-keeping is the process of analyzing the classification of transactions, recording them in a systematic way, and providing information about the financial affairs of the business.

2- objects of book-keeping:

the primary object of book-keeping is enable the business to know the following information accurately and with a minimum of time and efforts. we can summarize the objectives of book-keeping and a simple table as follows.

objectives of book-keeping

primary objects	Sub-object	other object
<ul style="list-style-type: none"> -To know profit& loss - To know financial position -To have a systematic record 	<ul style="list-style-type: none"> -To know creditors To know debtors -To know capital invested -To understand cash and stock 	<ul style="list-style-type: none"> -To review the progress -To prevent errors and frauds -To provide valuable information for decision making -To keep a check on property

3- Importance of book-keeping.

أهمية مسك السجلات

Book-keeping: is of great importance to business, book- keepers accountants and government officers. Following points explain the importance of book-

keeping.

1- Facilitates planning

تبسيط التخطيط

Proprietors have to plan their business operations for years to come. Book-keeping generates valuable information about production, sales ,expenses ,and income which helps planning.

2-Decision-making

صناعة القرار

Management has to take valuable decision about business book-keeping provides necessary information for decision making.

3-Controlling

الرقابة

Management can Control business operation with the help of various types of budgets and book- keeping .it is not necessary to remember the transactions .

4- Protection from theft and insecurity.

الامان

A businessman can protect himself against theft and dishonesty of employees by keeping books of accounting in a systematic manner. he can exercise greater control on his finance through systematic recording.

5- Helpful in getting loans

المساعدة في الحصول على القروض

A businessman may require loanse from banks for financing his expansion plans and programs properly kept account can convince the banks about Financial Soundness of the business.

6- Sale of business

بيع الاعمال (بيع المنشأة)

In some cases the owner decides selling his business ,the purchase consideration can searching can be decided on the basis of the accounting maintained.

B- Accounting concept: مفهوم المحاسبة

1- Accounting definitions تعاريف المحاسبة

There are more definitions of accounting:

1- Accounting

The accounting is the art of recording, classifying, reporting, and interesting the financial data of an organization.

2-Accounting

The accounting is an information system that processes business transactions to various interested parties for making business and economics decision.