History of Accounting

Presented by Madison Cadden
New to Accounting?
Accounting:

“The process of recording financial transactions pertaining to a business, which includes summarizing, analyzing, and reporting these transactions to oversight agencies, regulators, and tax collection entities.” -Investopedia
Financial Transactions?

Is where there is an exchange of money or goods.

For example, a financial transaction can include taking out a loan or paying a bill.
Summarizing, Analyzing, Reporting, Oh My!

- Crucial steps to understand a financial situation
- Summarize- organizing transactions
- Analyze- reading financial statements to see how the business is doing
- Report- presenting information found
Types of Accounting:

- Financial Accounting
- Managerial Accounting
- Tax Accounting
- Government Accounting
Why is Accounting Important?

- Company Growth
- Funding
- Making/Collecting Payments
The Start of Accounting
History of Accounting

8000–5000 BC
Earliest evidence of accounting language comes from Mesopotamian civilizations

1400s
Single-entry bookkeeping is the standard

1887
The American Association of Public Accountants (AAPA) was established

1913
The U.S. begins charging income tax to fund the upcoming World War and the need for accounts skyrockets

Present Day
QuickBooks is amongst the most popular accounting software

Before 2000 BC
Bookkeepers most likely emerge while society is under a barter system

1494
Italian monk Luca Pacioli publishes the framework for modern accounting

1896
The accounting profession is formally recognized with the establishment of the professional title of certified public accountant (CPA)

1952
IBM released its first large computer and accountants are among the first to use them
Mesopotamia

- 7000 years ago
- Egyptians and Babylonians
- Records of goods traded/received
- Animals, livestock, and crops
• Single-entry system
• Listed dates, details, and amounts spent or earned in order
• Way to find if there was a profit or loss
Luca Pacioli

The Father of Accounting
Write an original statement or inspiring quote

— Include a credit, citation, or supporting message

<table>
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<th>Single Entry</th>
<th>Income</th>
<th>Expense</th>
<th>Income</th>
<th>Expense</th>
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<th>Liabilities</th>
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In more recent times:

- AAPA
- CPA
- High demand for accountants
- Accounting software
7% increase in demand | 135,000 openings | High Demand
Thank You for Listening!
Works Cited

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