LEARNING AS ONE NATION

Expanded Project

FABM1_4

SHS LEARNING ACTIVITY

Name: _____ **Score/Mark:** _____

Grade and Section: _____ **Date:** _____

Strand: ☐ STEM ☐ ABM ☐ HUMSS ☐ ICT (*TVL Track*)

Subject: ***Fundamentals of ABM 1***

Type of Activity ☐ Concept Notes ☐ Skills: Exercise / Drill ☐ Illustration ☐ Laboratory Report ☐ Essay/Task Report ☐ Others: _____

Activity Title: LA-04. Accounting: Brief History

Learning Target: To point out highlights in the history of accounting

References: *(Author, Title, Pages)*

1) Hinayon, et al., Fundamentals of Accounting Vol. 1, pp. 12-13
2) (Web) *History of Accounting* (July 2020), Strategiccfo.com, Retrieved February 4, 2021
3) Q. J. Abcede, CVIF Learning Activities

Below is a brief historical outline of how accounting evolved from a barter system through millennia to computer-aided systems today.

8500 BC	Early tradesmen in the Middle East regions exchanged commodities such as spices and oil, clothing, and other goods with clay objects which are marked with symbols that *record a transaction*.
2500 BC	The ancient Roman, Greek, and Egyptian civilizations also used clay tablets to *record* public revenues, religious offerings, building of temples, etc. Such records are believed to have been used by rulers for decision-making purposes.
1300-1500	Methods for *keeping records* became more systematic as trade and commerce grew. Merchants from Venice, Florence, and Genoa used these methods to monitor their daily transactions. The double-entry method of bookkeeping was, in fact, first used in Genoa in 1340.
1494	Friar Luca Pacioli, a Venetian monk, wrote a book entitled *Summa de Arithmetica, Geometria, Proportioni et Proportionalita* or "Everything about Arithmetic, Geometry, Proportions and Proportionality" which contained his discussions about the double-entry *bookkeeping* practices commonly used by the merchants in Italy (mentioned above). According to him, this early system helped merchants in *keeping their records* which they could use to grow their businesses. Pacioli became the Father of Double-Entry Bookkeeping.
1700-1900	During the Industrial Revolution, the way goods were produced changed from the craftsman to the assembly-line method, and factories became necessary for *large-volume production*. With this progress, accounting needed to take off and be professional. Methods of double-entry bookkeeping and accounting were developed. This then gave birth to several accounting organizations and the title of the Certified Public Accountant was introduced shortly in 1896.
At Present	As trade and commerce significantly step forward, accountants play a huge role for an enterprise's success. With the advent of *technology*, they now use accounting software and computer systems to address the *changing needs of the users of financial information*, while complying with the *accounting standards and principles*.

Questions: (1) Record-keeping is the common denominator for different periods of history. Why is record-keeping given much importance? What can happen if records are not diligently prepared and stored?

(2) Give an example of 'changing needs' of present users of financial information.