

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for ensuring the integrity and reliability of financial data. This section also outlines the various methods and tools used to collect and analyze financial information, highlighting the need for consistency and transparency in the reporting process.

The second part of the document provides a detailed overview of the accounting cycle, which is a systematic process used to record, summarize, and report financial transactions. It covers the ten steps of the cycle, from identifying transactions to preparing financial statements, and explains how each step contributes to the overall accuracy and clarity of the financial records.

Account	Debit	Credit
Assets	+	-
Liabilities	-	+
Equity	-	+
Revenue	-	+
Expenses	+	-

Accounting Cycle



The accounting cycle is a fundamental concept in accounting that ensures the accuracy and completeness of financial records. It consists of ten distinct steps that are repeated periodically to update the financial statements. The cycle begins with identifying and analyzing transactions, followed by journalizing, posting to ledger accounts, and preparing a trial balance. Subsequent steps involve adjusting entries, preparing an adjusted trial balance, and finally, preparing financial statements and closing the books.