

## KNOWLEDGE



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1. The first part of the text discusses the importance of maintaining accurate records of all transactions. This is essential for ensuring the integrity of the financial statements and for providing a clear audit trail. The text emphasizes that every entry should be supported by appropriate documentation, such as invoices, receipts, and contracts.

2. The second part of the text focuses on the importance of regular reconciliation. This process involves comparing the company's internal records with external statements, such as bank statements, to identify any discrepancies. Regular reconciliation helps to detect errors early and ensures that the financial records are up-to-date and accurate.

3. The third part of the text discusses the importance of maintaining proper segregation of duties. This means that no single individual should be responsible for all aspects of a financial transaction, such as authorizing, recording, and reconciling. This helps to reduce the risk of fraud and errors.

Account Name	Debit	Credit
Accounts Payable	100.00	
Accounts Receivable		100.00
Inventory	50.00	
Cost of Sales		50.00
Net Income		50.00
Total	150.00	150.00