

Chapter 3 Accounting Cycle and Trade

Analysis



- ❧ Accounting cycle
- ❧ 1. Trade Transaction Analysis
- ❧ 2. Accounting
- ❧ 3. Eligibility
- ❧ 4. Preparation of a trial budget before renovation
- ❧ 5. Saving Improvement Items
- ❧ 6. Preparation of the Trial Budget after the Improvement
- ❧ 7. Working Paper
- ❧ 8. Preparation of financial statements
- ❧ 9. Account Closure
- ❧ 10. Preparation of Trial Statement after Account Closure

Accounting Period



- ❧ 1. Period that meets the calendar year
- ❧ 2. Periods that do not follow the calendar year
- ❧ 3. Period that meets the fiscal year

Business Transactions



- ❧ 1. Invest in different types of assets
- ❧ 2. Purchase goods or services
- ❧ 3. Sell products or services
- ❧ 4. Pay debts to creditors.
- ❧ 5. Accept debt repayment from debtors
- ❧ 6. Borrow money from creditors
- ❧ 7. Withdraw money for personal use
- ❧ 8. Pay for operating expenses
- ❧ 9. Buy different asset classes
- ❧ 10. Purchase securities as a temporary investment.
- ❧ 11. Dividend Payment

Supporting Documents



- Supporting documents for transactions means evidence used to support accounting records, which in accounting records must contain evidence of reference to the source for the accuracy of accounting information and the details of the content must match the events that occurred.

Accounting equations



 Assets = Liabilities + Equity

Trade Transaction Analysis



Transaction analysis refers to the representation of the impact of a transaction that causes the exchange or transfer of money or valuables that can be valued in monetary currency between a business and another person or entity, resulting in an increase or decrease in the amount of the transaction of the accounting equation, namely assets, liabilities, and equity.

Item Analysis Paper



- 1. Section of the paper analysis list
- 2. Sort by date before after

Chart of Accounts and Numbering



- ❧ 1. First Primary Account Number
- ❧ 2. Second Primary Account Number
- ❧ 3. Third digit account number

Benefits of using an account number



- ❧ 1. To facilitate account passing.
- ❧ 2. To help businesses that prepare accounting with computer systems easily.
- ❧ 3. To help make it easy to find account information.
- ❧ 4. To reduce the time it takes to write the name of the account.
- ❧ 5. To help arrange the order of accounts easily.

Meaning of the term debit and credit



Debit and credit is a record of the transaction on the left-hand side of the account, called the debit account. Recording trades on the right-hand side of the account is called account credit.

Debit or DR



- ❧ 1. Increase in assets and expenses
- ❧ 2. Reduction in Debt and Equity
- ❧ 3. Decline in income

Credit or CR



- ❧ 1. Decline in assets and expenses
- ❧ 2. Increase in debt and equity
- ❧ 3. Increase in income

Single Account System



Single accounting system refers to a method of recording one-sided trade transactions by showing the change in trade transactions increasing or decreasing in trade transactions. Accounting methods that record only items in cash accounts and are often not complete according to the dual accounting system.

Dual Account System



✎ Dual accounting system refers to the method used to record various accounting entries, including entries in general journals, ledger entries, as well as documentary evidence and record keeping.