

Fundamental Bookkeeping

Identification

Recognize and select the economic events that are relevant to the business.

Recording

Systematically document the identified transactions in the accounting records.

Communicating

Summarizing and present the recorded financial data to users who need it for decision-making.

Business Activities

Broader range of actions and processes that affect the financial health and operations of a business: Budgeting, financial planning, forecasting, managing accounts payable and receivable, tax planning, and financial reporting.

Pertinent Transactions

Specific transactions that have a direct impact on the financial statements of a business: Sales, purchases, expenses, payroll, loans, and investments.