

The nine steps of the accounting cycle flashcard



**ASSIGN
BUSTER**

There are nine steps one must follow when concerning accounting. These steps are as follows within the accounting cycle and their functions:

1. Analyze Transaction- This process is done daily and classifies transactions accordingly to debit or credit. 2. Journalize Transactions- The recording process of the recorded information. 3. Post to Ledger Accounts- Last phase within the recording process, which are organized by the account. 4. Prepare a Trial Balance- Ensures all debits and credits are indeed equal. 5. Journalize and Post Adjusting Entries- Journalize and post any adjusting entries which are used to post any data using the J2 within the general journal. All the while recording revenues earned and any expenses incurred for the current period which haven't been recognized.

6. Prepare an Adjusted Trial Balance- Were all account balances are entered and an adjusted trial balance is prepared. 7. Prepare Financial Statements- Preparing financial statements this is to be done periodically. 8. Journalize and Post Closing Entries- This step closes post journal entries which complete the J3 page within the ruling account. This is done annually and usually during the completion of the specific accounting period. 9. Prepare a Post-Closing Trial Balance- This step ensures revenue and expense accounts are properly closed, double checked and the debit and credit balances within the accounts balance sheet all balance out properly.