Xacc 280 wk2 assignment journalizing, posting, and preparing a trial balance

Journalizing, Posting, and Preparing a Trial Balance XACC/280 November 27, 2011 Journalizing, Posting, and Preparing a Trial Balance The generalgoalsof financial reporting are to keep an accurate and ethical record of all financial transactions of a company, while maintaining integrity and adhering to the generally accepted principles of accounting. The steps I took in the recording process for this assignment were to first make journal entries to accurately depict all financial transactions for the fictitious company. After making and double checking my journal entries, I entered them into the general ledger.

This step might seem a bit redundant, but it is vital to have this information available in both forms—a day by day account, and an account by account analysis. Lastly I prepared the trial balance report for the same fictitious company. The steps I took support, and are in strict adherence to, the principles of accounting because: there are no fictitious entries, I made no attempts to understate income nor to overstate expenses, and I double checked my work to ensure accuracy. I made certain that I accurately recorded the information I was given, and ensured that it balanced out.

The basic accounting equation (Assets = Liabilities + Owners' Equity) is fully satisfied, and the financial information I was given is accurately reported. I once had a wonderfully wise employer who was a CPA. He told me that all we can do is report the numbers we are given by our clients. If it does not pass the " smell test" then we can bring it to the client's attention, but we should never accuse them of attempting anything resembling fraud. Make copies of the information given to us by the client, and keep those copies in the client's file. That way, we can prove that the numbers we reported were the same numbers we were given to report.