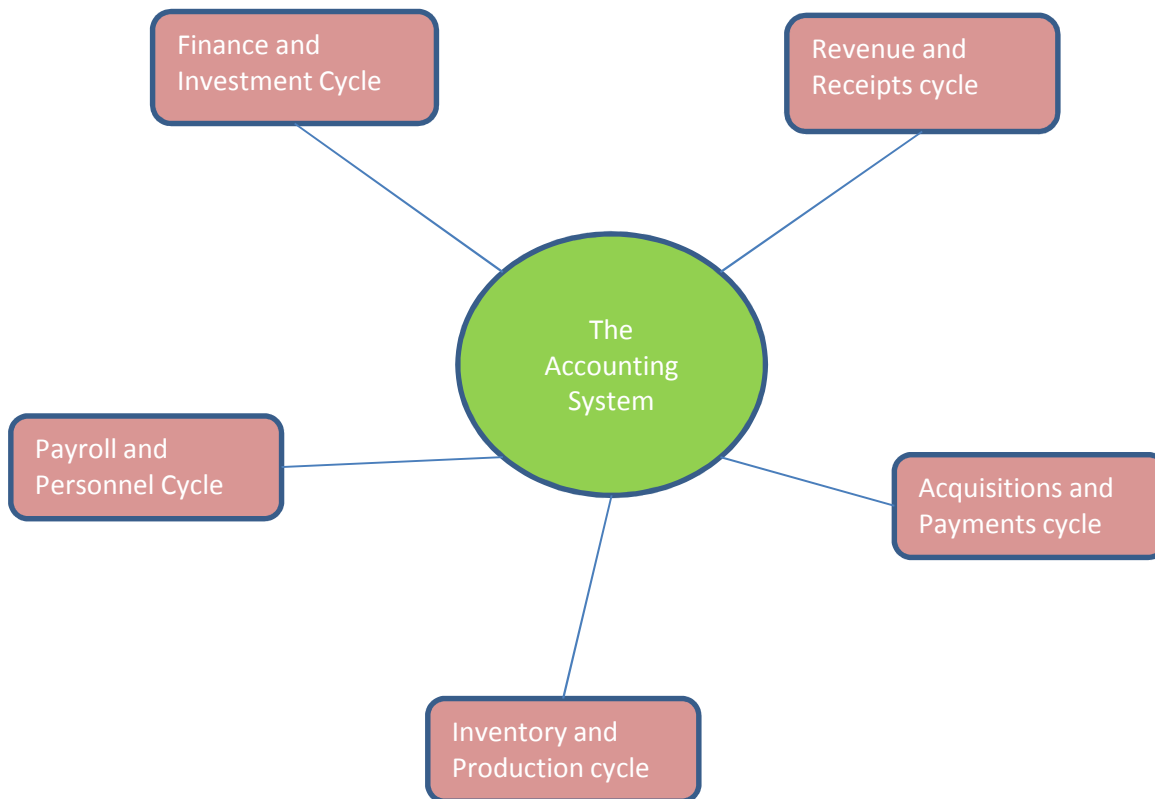


## The Accounting system

- series/collection of tasks and records
- by means of which transactions are processed to create financial records
- major elements of an accounting system:
  - **people** who carry out
  - **procedures** (write out invoice, calculate a price, enter invoices etc)
  - **paper** (order forms, ledgers, lists etc)

## Five business cycles of accounting system



## Financial Statements

- financial records relate to the business cycles
- financial records are summarized in financial statements