

o the Trial Balance

- To start a Business a company or an individual need to make a **profit**.
- Before: the profit been calculated when the owner of the firm died – NOW: the profit need to be calculated every year.
- This contribution is called Taxation. Individuals pay: Individual Tax, company pay: Corporation Tax.
- After Taxation has been paid the shareholder (member of a company) need to calculate dividend from the remainder of the profit. More frequently a company calculate the profit and more they can know and understand about the profit.

DOUBLE-ENTRY-BOOKEPING: Accounting must be based from a Double-entry-bookkeeping. An accountant need to use a book divided down in the middle, called **ledger**.

L1							
DR				CR			
Date	Details	Folio	Amount	Data	Details	Folio	Amount

L1: Every page of the leger is called ACCOUNT. EVERY ACCOUNT GOT A NAME FOLIO NUMBRT ABOVE L1 (LEDGER 1),
Always we need to put all the details: Date, Details)
DR: Debit Side: Receive – **CR**: Credit Side: Gives.

- Whenever a piece of business is arranged, there are always two parties involved: one is “**given**” and one “**receiver**”.
- Every piece of the business activity is called *transaction*.
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