- **Accrual Method :** Its an accounting method to record or report the revenues on the income statements "When its earned even if it will be earned 30 days later " . Also it requires that the expenses & losses will be reported in the income statements when they are occurred . **(The accrual method requires a large companies not small companies)**

- **Adjusting Entries** : Process made in the last day of the accounting period ,so that the financial statements reflect the revenues & expenses incurred during the accounting period . So the adjusting entries are important for adjusting the revenues & the expenses that has been not recorded .

- **Correcting Entries** : Correcting entries involve any combination of the Income statements & The balance sheet . (wrong informations)

- **Posting** : entering the amounts in the general ledger .

- **General ledger** : consist of all items in the balance sheet & the income statements .

- **Trail Balance** : consist of the items listed in the general ledger . The credit = debit

- **Contra Account** : an account with a balance that is opposite of the normal balance . (Accumulated depreciation) .

- **Subsidiary ledger** : Contains the supporting detail for a control account in the general ledger .

- **Control Account** : An account in the general ledger with summary informations .

- **Temporary accounts** : = in the income statements .

- **Permanent accounts** : = in the balance sheet .

- **Contra Assets account** : An assets with a credit balance .

- **Net Realizable Value** : Connect between the account receivables & the inventory .(Account receivables - allowance for uncollectible account)

- **Allowance for doubtful account** : Balance sheet account that reduces the reported amount of the account receivables .It presents a more realistic picture of how much of the account receivables will be turned into a cash . " bad debt expense "
  - The allowance for doubtful accounts represents management's best estimate of the amount of accounts receivable that will not be paid by customers.
  - The allowance for doubtful accounts is a reduction of the total amount of accounts receivable appearing on a company's balance sheet, and is listed as a deduction immediately below the accounts receivable line item.

- **Write-off method** : (No allowance account) ,Dr : Account receivables Cr: Bad debt expense
- **Treasury stock** : Corporation's previously issued shares of stock which have been repurchased from the stockholders *and* the corporation has not retired the repurchased