

# Chapter 2

## OUTLINE

### Business Rules and Regulations

#### Types of business

- Wholesale
- Retail
- Service
- Innovation

#### Record Keeping

Basic accounting principles

Tracking income, losses, and trends

Basic tax and other regulatory reporting

#### Regulatory Agencies

Banking and Finance

Safety and Fair Practices

Social Services

#### **Key concepts:**

Business and financial records are kept primarily for two purposes, helping the individual to keep track of their own finances and by mandate from regulatory agencies.

Destruction and/or alteration of documents often occur in the attempt to conceal financial crimes.

#### **Sample questions:**

What are two common regulatory requirements for record keeping?

*Which records are required to be prepared and kept, and the time period they must be retained.*

What records are available without a legal order?

*Public records.*

Why do businesses keep in depth records of their business activities?

*They are kept to keep the business owner informed of current conditions and of trends that can help formulate product or policy changes.*