This chapter introduces important concepts in income measurement. Accountants oftentimes discuss these concepts using accounting "jargon" or "terminology. Effective business communication requires that all parties attach the same meaning to the words that are used to express concepts. Match the accounting terms in the list on the left to the accounting concept described in the list on the right.

(1)	Depreciation	(a)	The basic conditions require that an exchange has occurred and the earnings process is complete.
(2)	Calendar Year	(b)	An asset reflecting advance payment for something that will be consumed over the future.
(3)	Revenue Recognition	(c)	An entry usually prepared coincident with the end of an accounting period to update the accounting for prepaids, accruals, and other allocations.
(4)	Cash Basis	(d)	An annual reporting period that runs from January 1 through December 31.
(5)	Prepaids	(e)	Monies collected from customers for services that have not yet been provided.
(6)	Unearned Revenue	(f)	An approach that results in the initial recording of prepaids to an asset account and unearned revenues to a liability account.
(7)	Balance Sheet Approach	(g)	The notion that a continuous business process can be divided into time intervals such as years, quarters, or months for reporting purposes.
(8)	Adjusting Entry	(h)	A systematic and rational allocation scheme to spread a portion of the total cost of a productive asset to each period of use.
(9)	Accruals	(i)	Expenses and revenues that gradually accumulate with the passage of time.
(10)	Periodicity Assumption	(j)	A simplified non-GAAP based method to record revenues as received and expenses as paid.