

Bookkeeping in the USA



Bookkeeping is the recording of financial transactions.

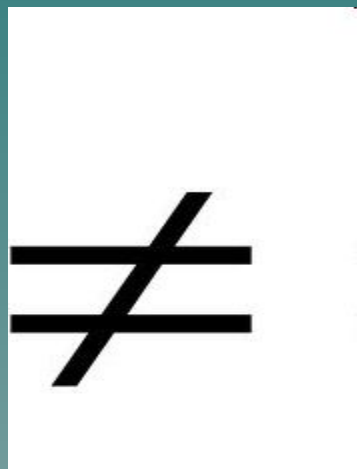
Transactions include:

sales,
purchases,
income,
receipts
payments

Bookkeeping is usually performed by a bookkeeper.



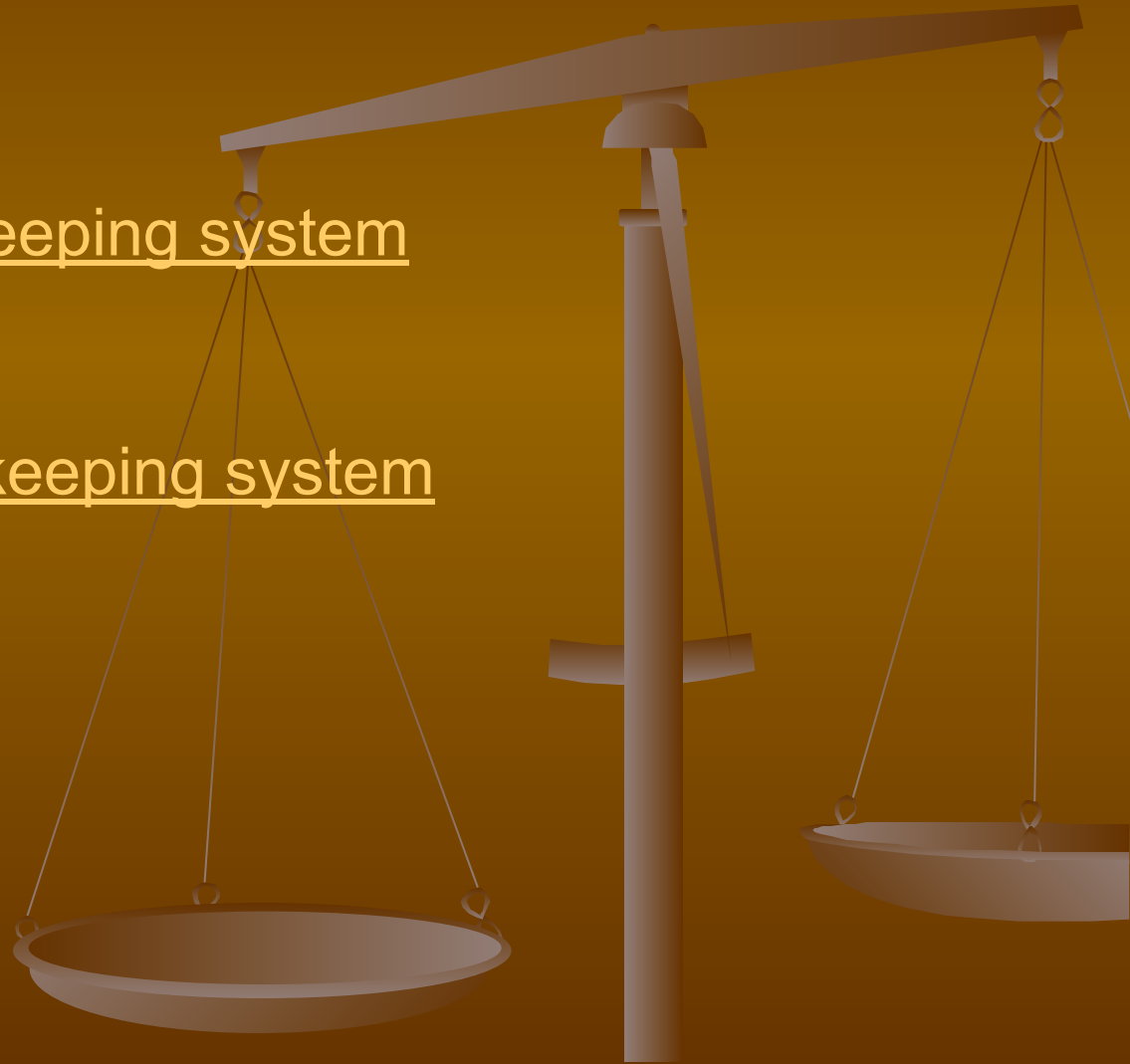
Bookkeeping is not accounting

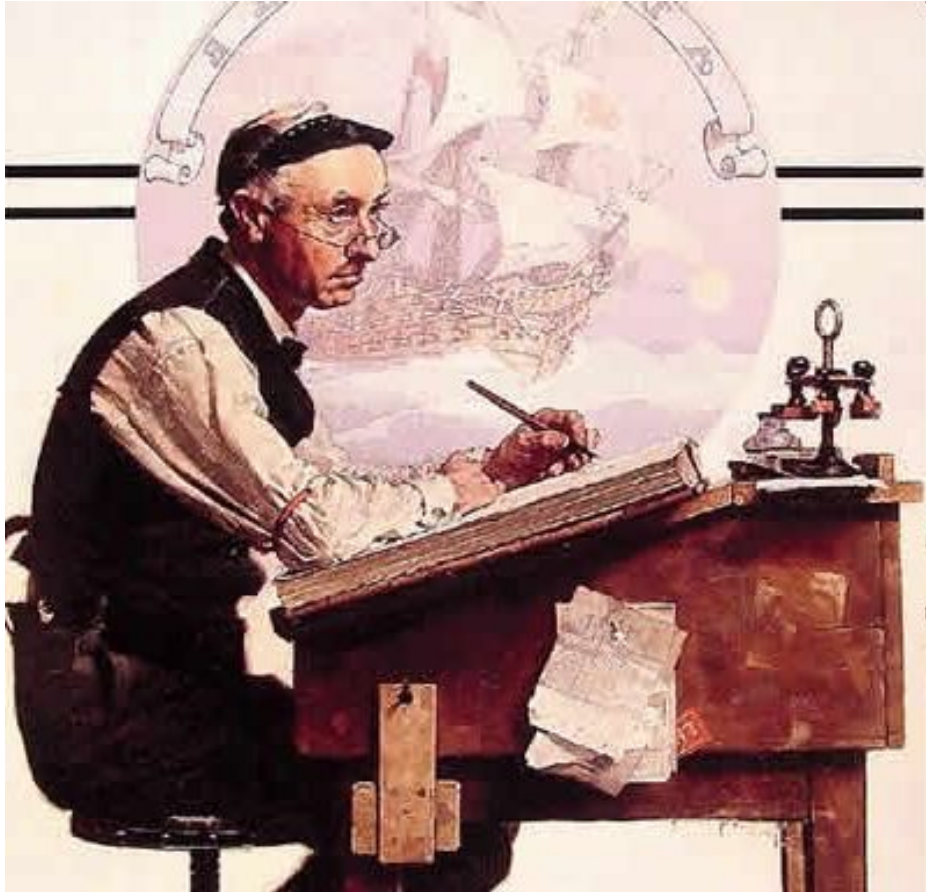


There are 2 common methods of bookkeeping in the USA:

the single-entry bookkeeping system

the double-entry bookkeeping system





accounting clerk

accounting technician

daybooks

Year	Date	Description	Amount	Year	Date	Description	Amount
1829		Sept brot up		1829	June 23	1 doz. 2 th board	5 9
June 10	June 10	Summ dries	1 6 2			1 do 4 th do	11 9
		Cards	1 7 6			1 do 5 th sheet do	14 3
		30 paper books sps	2 15 0			6 doz White Pasteboard	2 0 6
		6 Ball Books sps	6 0			24 3 rd Cotton Latin Grams	4 6
		2 1/2 th Testaments 1/4	5 0			10 Journals 27	1 0 0
		6 Kiddle books 1/4	6 0			Populion Vol. 1.	3 10
		22 Prints 1/8	5 6			1 1/2 Reams Latin Post	1 4 9
		400 Pens 1/4	16 0			28 New Mon. Mag.	3 0
		400 do 1/2	10 0			Napoleon 2 th Ed.	7 8
		2 Reams Hand. 1/4 Post	1 4 0			Binding Negroth	13 6
		2 do No 2 do	1 0 0			3 Col. Books 4/10	14 6
		50 Watts Hymns 1/2	6 0			3 " " 4/11	12 3
		Sundries	3 7 10			7 " " 3/4	1 2 1/2
18		2 Family Library 1/2 3/4	7 8			8 " " 3/8	1 1 4
		Banck on the Bones	8 0			Binding	3 10
		4 Workmen 1/4 Books 1/4	8 0			18 Red Lead Pencils	3 9
		Binding	6 3			1 Ledger 4 1/4 Post	18 0
		2 Math books	3 6			Order book	5 0
		6 Mairs Introduction	11 0	July		1 Sundries	3 5 5
		Drawing paper	6 3			2 do	2 2 5
		1 A/C book 7 1/4 Post	1 2 0			Steel Pens	12 0
		1 do 5 1/4 Cop.	6 3			4 Graham's Sleep of Day	16 8
		2 Reams 1/2 1. Post	1 2 0			3 Sundries	3 6 8
		2 do No 2 do	18 0			12 Blackwood	1 4 0
		9 1/2 1/4 Brown	9 0			Edin. Med. Journal	4 7
19		Sundries	3 2 11			4 Blackwood	2 0
		1 Silk 1/4 Paper	3 0			1 Early Days	1 10
		4 Prints	2 3			600 Prime Quills	1 1 0
20		4 Ledgers	3 2 0			600 2 nd do	15 0
		2 Photographs	12 0			2 Reams best laid letter	1 11 0
		Binding Manic	3 0			4 do middle do	2 4 0
		Tracing Paper				Waverley Jr. sp.	8 1/2
22		Sundries	2 18 8			Lettering Name	1 4
		Childrens books	6 0			6 Sundries	1 12 7
		Sundries	2 1 0			Magazines	3 8 5
23		2 1/2 Col. Paper	13 9			Hoogers	1 2
		12 1/2 Col. Paper	16 0			Morning Watch	2 4
		1 doz. 3 rd board	8 6				

Save

Delete

Account Details..

Cash A/c

Cash A/C

Voucher Date

17/06/10

SL NO	ACCOUNT NAME	REF NO	PARTICULARS	DEBIT RECEIPTS	CREDIT PAYMENTS
1	Application Fee		App Rec No: M3125	200	
2	Maint.Hostel , Mess & ...		Mess Expenses		2154
3	Books,Notes & Unifor...		loyola publications		4624
4	PNB CA 2100034703		cash deposited to the bank		100000
5	Postage & Couriers		Amazing Publishers		180
6	Office maintenance		Indian Coir Traders		250
7	School Fee		Tuition Fee Spell I for - 17-06-10	17000	
8	Hostel Fees		Hostel Fee Spell-I for - 17-06-10	75000	
9	Hostel Fees		Hostel Fee Spell II for - 17-06-10	15000	
10	Bus Fee		Bus Fee for - 17-06-10	17050	
11	Office maintenance		Shri Ram Furnitures		6500
12	Maint. Sch. Bldgs & Pr...		Floor Tiles		2130

OB: Rs.56,77,739

Today's Dr: Rs.1,26,979

Today's Cr: Rs.1,24,448

CB: Rs.56,75,208

the correct day book,
suppliers ledger,
customer ledger
general ledger



Finally financial statements are drawn from the trial balance, which may include:

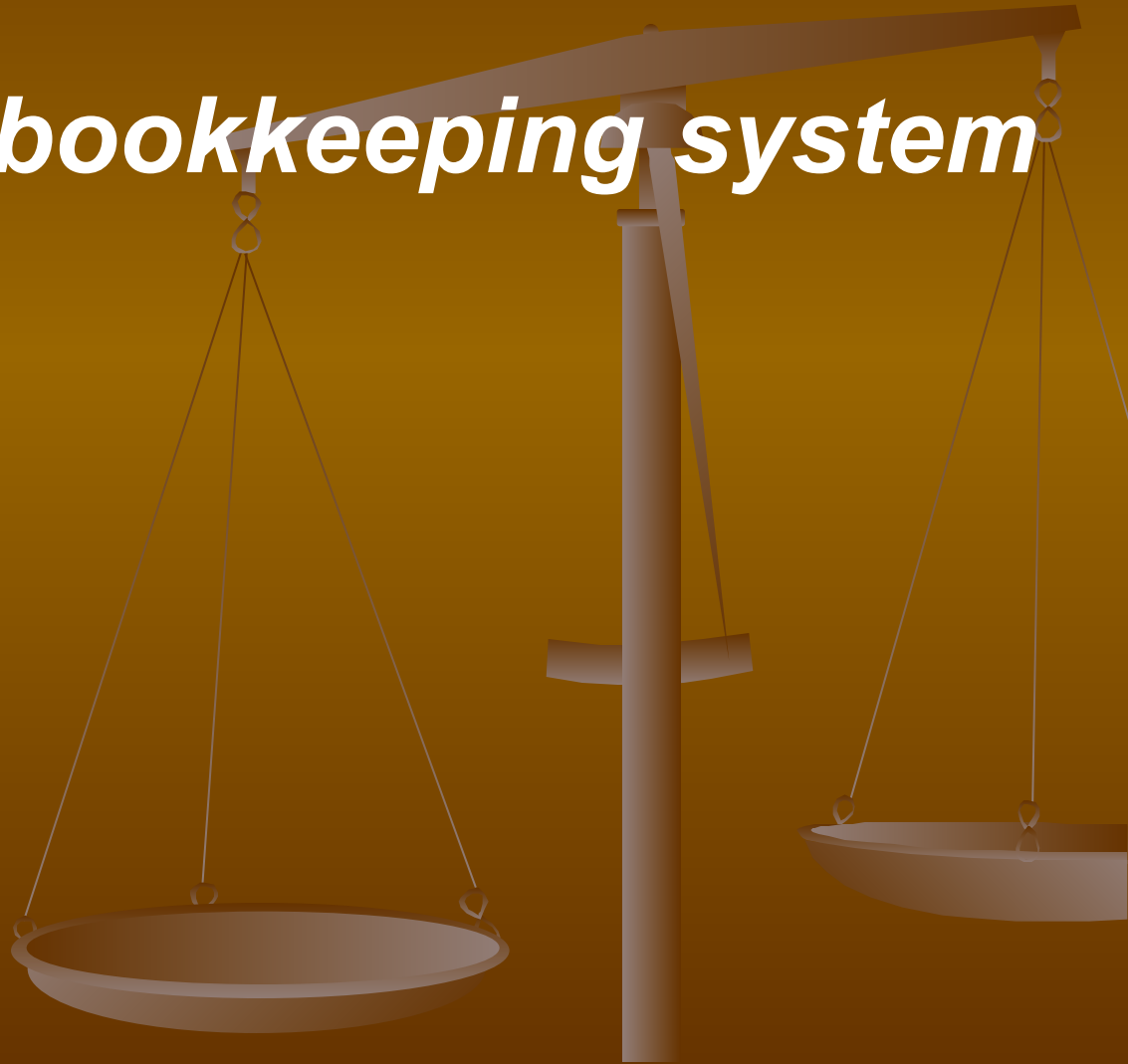
the income statement, or *P&L*

the balance sheet

the cash flow statement

the statement of retained earnings

Single-entry bookkeeping system



No.	Date	Description	Revenue	Expense	Sales	Sales Tax	Services	Inventory	Advert.	Freight	Office Suppl	Misc
	7/13	<i>Balance forward</i>	1,826.00	835.00	1,218.00	98.00	510.00	295.00	245.00	150.00	83.50	61.50
1041	7/13	Printer- Advert flyers		450.00					450.00			
1042	7/13	Wholesaler – inventory		380.00				380.00				
1043	7/16	office supplies		92.50							92.50	
-	7/17	bank deposit	1,232.00									
		- Taxable sales			400.00	32.00						
		- Out-of-state sales			165.00							
		- Resales			370.00							
		- Service sales					265.00					
bank	7/19	bank charge		23.40								23.40
1044	7/19	petty cash		100.00								100.00
		TOTALS	3,058.00	1,880.90	2,153.00	130.00	775.00	675.00	695.00	150.00	176.00	184.90

A double-entry bookkeeping system

	Debit	Credit
Asset	Increase	Decrease
Liability	Decrease	Increase
Income (revenue)	Decrease	Increase
Expense	Increase	Decrease
Capital	Decrease	Increase

accounting equation:

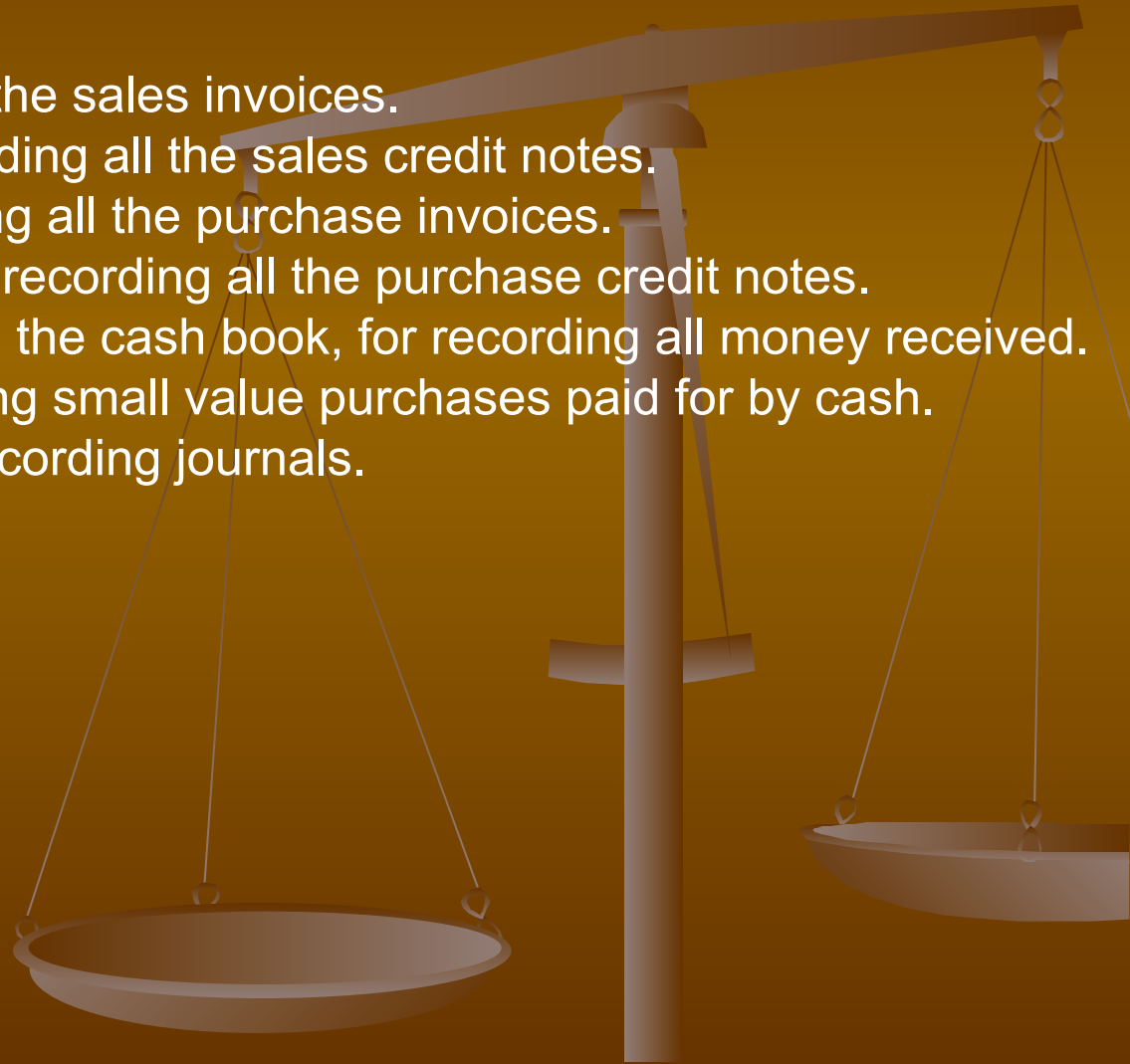
assets = liabilities + equity

Bank Payments Daybook

Date	Supplier Name	Reference	Amount	Suppliers	Wages
17 July 2006	Electricity Company	BP701	1000	1000	
19 July 2006	Widget Company	BP702	900	900	
28 July 2006	Owner's Wages	BP703	400		400
			-----	-----	-----
		Total	2300	1900	400
			=====	=====	=====
			Credit	Debit	Debit
			<i>Bank</i>	<i>Trade</i>	<i>Wages</i>
			<i>Account</i>	<i>Creditors</i>	<i>control a/c</i>
				<i>control a/c</i>	

Daybooks include:

- Sales daybook**, for recording all the sales invoices.
- Sales credits daybook**, for recording all the sales credit notes.
- Purchases daybook**, for recording all the purchase invoices.
- Purchases credits daybook**, for recording all the purchase credit notes.
- Cash daybook**, usually known as the cash book, for recording all money received.
- Petty Cash daybook**, for recording small value purchases paid for by cash.
- General Journal daybook**, for recording journals.



Ledgers include:

Sales ledger, which deals mostly with the accounts receivable account.


Purchase ledger is a ledger that goes hand and hand with the Accounts Payable account.

General ledger representing the original 5 main accounts:


assetsassets, liabilitiesassets, liabilities, equityassets, liabilities, equity, incomeassets, liabilities, equity, income, and expenses.



Abbreviations used in the USA bookkeeping



A/C – Account
A/R – Accounts receivable
A/P – Accounts payable
B/S – Balance sheet
c/d – Carried down
b/d – Brought down
c/f – Carried forward
b/f – Brought forward
Dr – Debit record
Cr – Credit record



G/L – General ledger; (or N/L – nominal ledger)
P&L – Profit and loss; (or I/S – income statement)
PP&E – Property, plant and equipment
TB – Trial Balance
GST – Goods and services tax
VAT – Value added tax
CST – Central sale tax
TDS – Tax deducted at source
AMT – Alternate minimum tax



EBITDA – Earnings before interest, taxes, depreciation and amortisation

EBDTA – Earnings before depreciation, taxes and amortisation

EBT – Earnings before taxes

EAT – Earnings after tax

PAT – Profit after tax

PBT – Profit before tax

Depr – Depreciation

Online bookkeeping in USA



Дякую за увагу !!!

