

# Bookkeeping in the USA



**Bookkeeping** is the recording of financial transactions.

**Transactions include:**

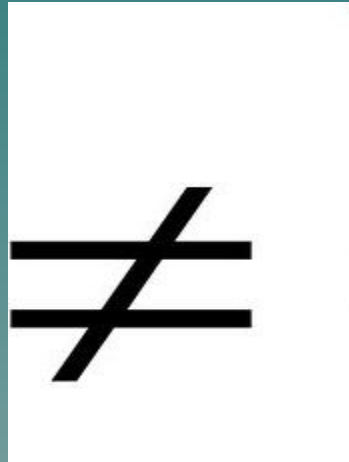
sales,  
purchases,  
income,  
receipts  
payments

Bookkeeping is usually performed by a bookkeeper.





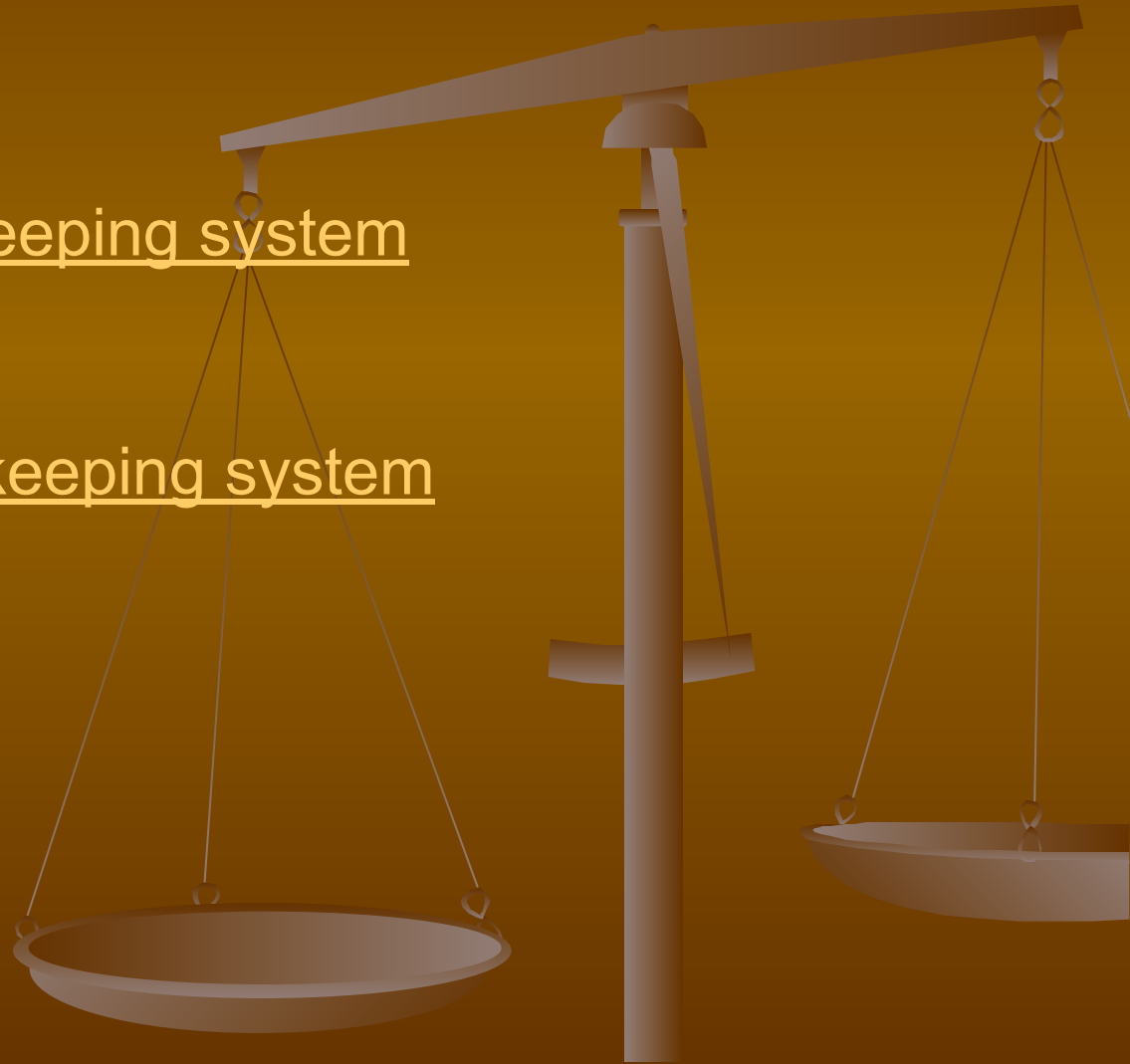
# Bookkeeping is not accounting

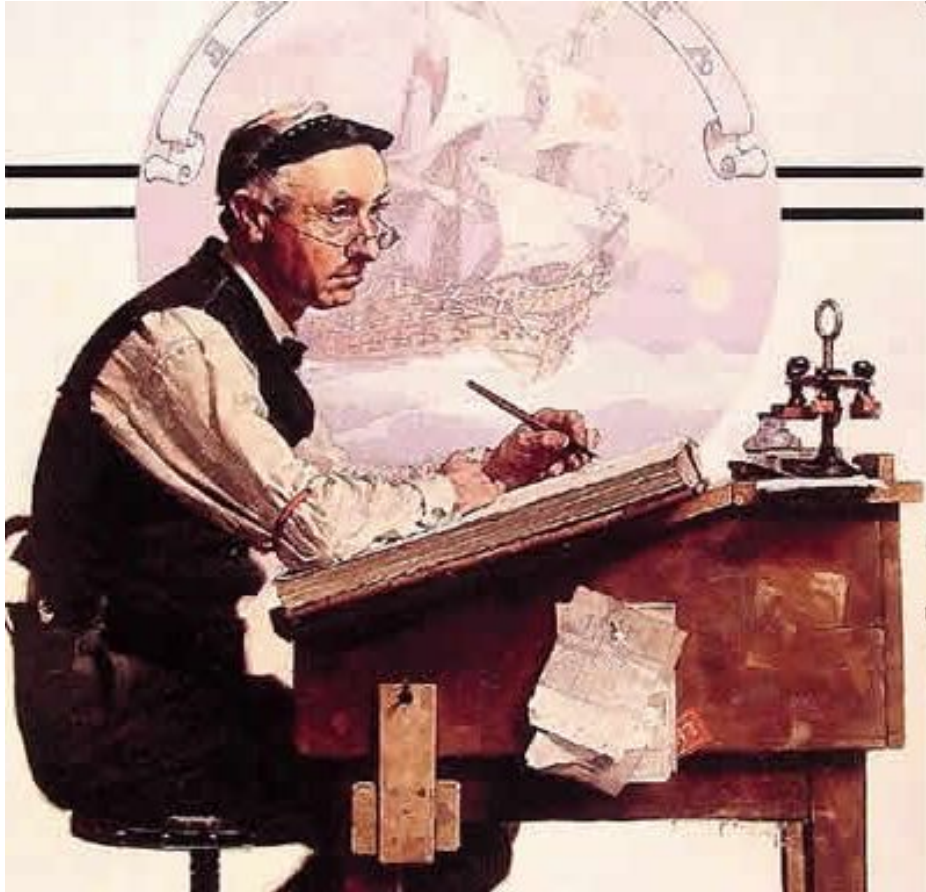


There are 2 common methods of bookkeeping in the USA:

the single-entry bookkeeping system

the double-entry bookkeeping system





**accounting clerk**

**accounting technician**

# daybooks

1829	Am't brot up	
June 10	Sum dries	1 62
	Cards	1 76
	30 Prayer books 1/10	2 50
	6 Ball Books 1/10	6 00
	2 1/2 Testament 1/10	5 00
	6 Kiddle books 1/10	6 00
	22 Prints 1/10	5 60
	400 Pens 1/10	16 00
	400 do 1/10	10 00
	2 Reams Hand 1/10	14 00
	2 do 1/10	10 00
	50 Watts Hymns 1/10	6 00
	Sundries	3 710
13	2 Family Library 1/10	7 80
	Banck on the Bones	8 00
	4 Workmen 1/10	8 00
	Binding	6 30
	2 Blank books	3 40
	6 Mains Introduction	11 00
	Drawing paper	6 30
	10 1/2 book 1/10	12 00
	1 do 1/10	6 30
	2 Reams 1/10	12 00
	2 do 1/10	18 00
	9 1/2 1/10	9 00
19	Sundries	3 211
	1 Silk 1/10	3 00
	Prints	2 30
20	4 Ledgers	3 20
	2 Photographs	12 00
	Binding Manic	3 00
	Tracing Paper	
22	Sundries	2 188
	Childrens books	6 00
	Sundries	2 10
23	2 1/2 Col'd Paper	13 90
	12 1/2 Col'd Paper	16 00
	1 doz. 3 1/2 boards	8 60

1829	June 23	1 doz. 2 1/2 boards	5 90
		1 do 1/2 1/2 do	11 90
		1 do 5 sheet do	14 30
		6 doz. White Pasteboard	2 06
		24 3/4 Cotton Latin Gram.	4 60
		10 papers 1/10	1 00
		Cupation Vol. 1.	3 10
		1 1/2 Reams Latin Post	14 90
		28 New Mon. Mag.	3 00
		Napoleon 1/10	7 80
		Binding Hymns	13 60
		3 Col'd Books 1/10	14 60
		3 " " 1/10	12 30
		7 " " 1/10	1 14
		18 " " 1/10	1 14
		Binding	3 10
		18 Red Lead Pencils	3 90
		1 Ledger 1/10	18 00
		Cover book	5 00
July	1	Sundries	3 55
	2	do	2 25
		Sheet Pens	12 00
		4 Graham's Sleep of Day	16 80
	3	Sundries	3 68
		12 Blackwood	14 00
		Edin. Med. Journal	4 70
		4 Blackwood	2 00
		1 Early Days	1 10
		600 Prime Quills	1 10
		600 2nd do	15 00
		2 Reams best laid letter	11 00
		4 do middle do	24 00
		Waverley 1/10	8 40
		Lettering Name	14 00
	6	Sundries	12 70
		Magazines	3 85
		Hoogers	1 20
		Morning Watch	2 40



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



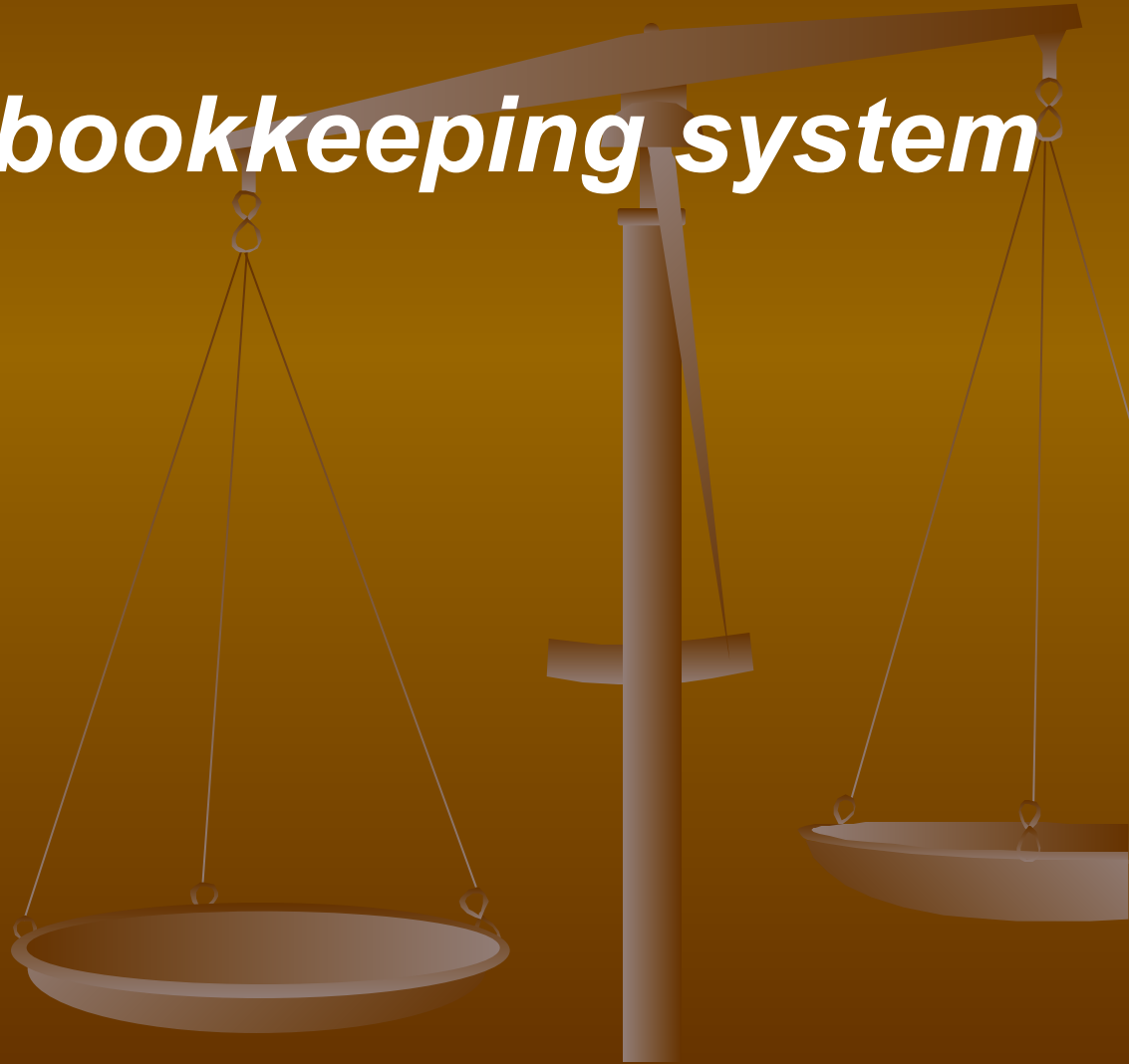
the correct day book,  
suppliers ledger,  
customer ledger  
general ledger



**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***

	<b>Debit</b>	<b>Credit</b>
Asset	Increase	Decrease
Liability	Decrease	Increase
Income (revenue)	Decrease	Increase
Expense	Increase	Decrease
Capital	Decrease	Increase

accounting equation:

$$\text{assets} = \text{liabilities} + \text{equity}$$

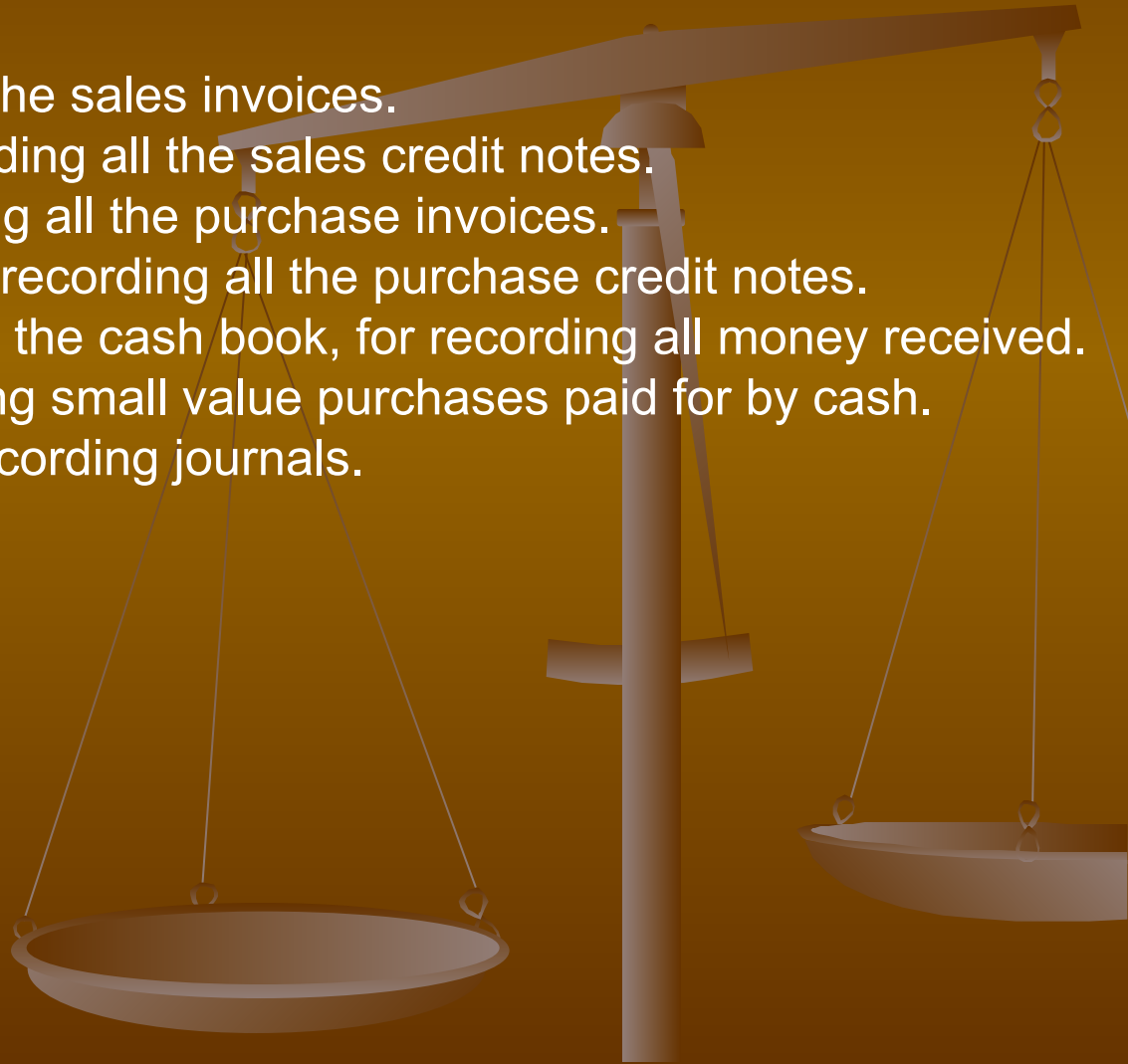
### Bank Payments Daybook

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
			=====	=====	=====
			<b>Credit</b>	<b>Debit</b>	<b>Debit</b>
			<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.

A stylized silhouette of a mountain range in shades of teal, located in the bottom right corner of the slide.


The background of the slide features a serene sunset scene over a vast body of water. The sky is a deep blue, filled with wispy white clouds. On the left side, a bright sun is partially visible, creating a lens flare effect and casting a warm, golden glow across the horizon. A faint rainbow is visible on the far left, its colors blending into the sunset light. The water below is a dark blue, with gentle ripples reflecting the light from the sky and the sun.

# **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 !!!*

