

Effective Bookkeeping Skills

Duration: 1 Day

Businesses invest large amounts of money in the provision of accounting information, however the real value of this investment is often not harnessed because staff have insufficient knowledge of how the accounting system works. This course aims to equip delegates with a stronger understanding of bookkeeping, therefore providing the organisation with improved finance managing capabilities.

Course Designed for

- Small or medium size businesses where either owners or employees need an understanding of double entry bookkeeping
- New employees to an accounting environment who need knowledge of complete bookkeeping system functions
- Businesses utilising computerised accounting system, i.e. SAGE, where the users of the system need to understand the basics behind the automated processes

Objectives

How will you and your organisation benefit...

Upon completion of this course you will be able to

- Describe the difference between capital and revenue
- Explain how the source documents form the basis of a bookkeeping system
- Describe all the ledgers needed to operate a bookkeeping system
- Demonstrate an understanding of the purpose of the division of the ledgers
- Be able to explain how double entry works
- Be able to balance the books at the end of an accounting period
- Demonstrate the effect of the period end adjustments on both the profit/loss account and balance sheet
- Compile and interpret the final accounts that will be submitted to either your accountant or the inland revenue

Course Content

- Understanding the difference between capital and revenue
- How the accounting cycle works
- What source documents are
- What ledgers are and what they contain
- The 'T' account
- Typical format for the trading statement & profit / loss account as well as the balance sheet
- Adjustments to accounts including accruals, bad debt provision and depreciation
- The chart of accounts
- Best practise advice for maintaining accounts
- How to balance the 'T' account
- A fully worked Case Study including:
 - Entering the opening balances in the various ledgers
 - Entering all the transactions for a typical month into the various ledgers in double entry format
 - Balancing off all the accounts
 - Completion of a trial balance
 - Using the extended trial balance for the year end adjustments
 - Compilation of the trading and profit / loss account and balance sheet
 - The year end journal entries for the opening balances