

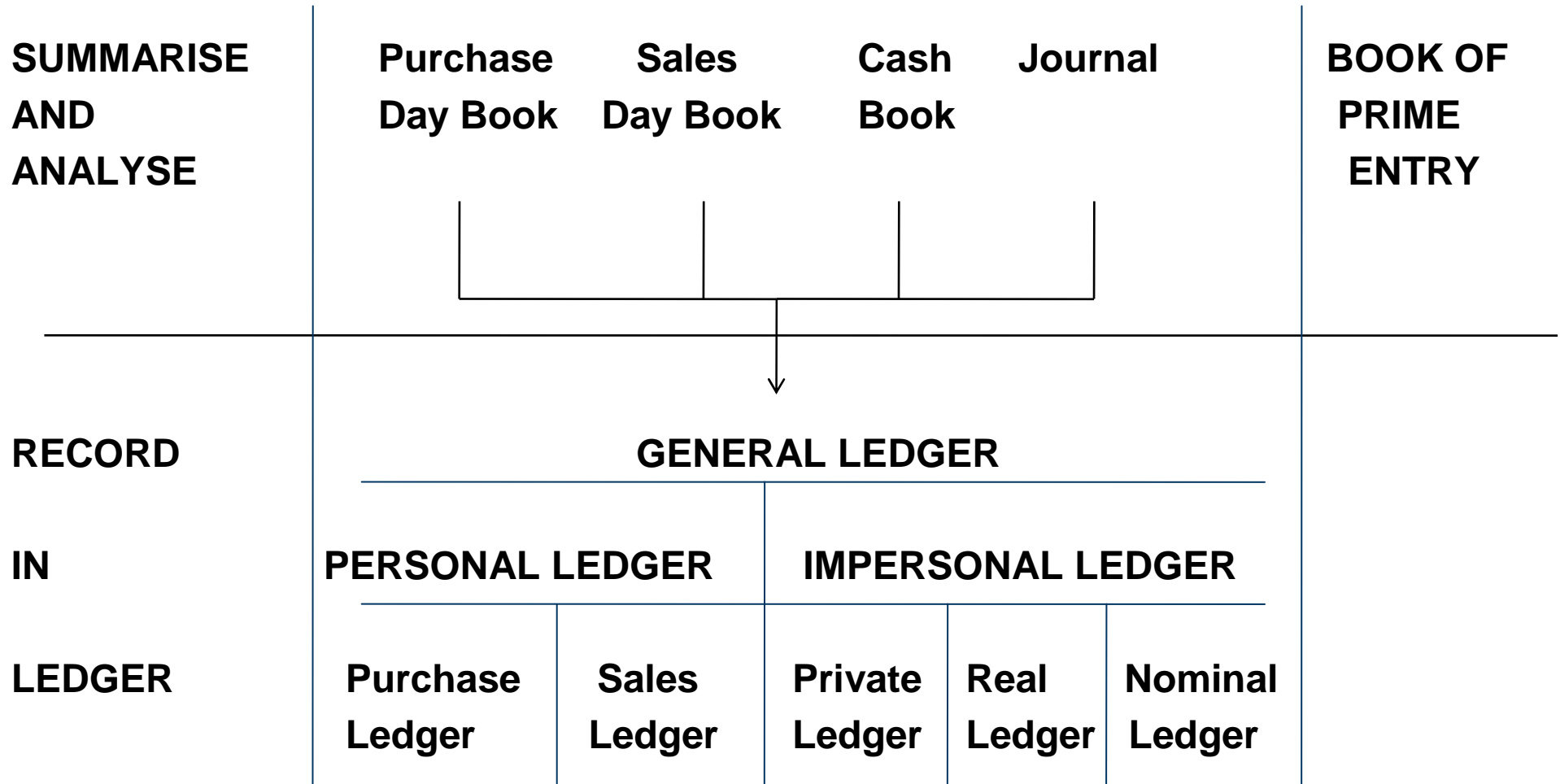


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The main books of account

Recognising and describing the main types of
accounting records and their relationships

Main elements of double-entry



From Boyns, Boyns & Edwards, *Historical Accounting Records*

- Records made at the instant of the financial transaction (or as soon as possible afterwards)
 - invoices
 - receipts
 - bills
 - waste books
- Act as a reminder to ensure the correct information is entered in the books of account

- Cash books
- Day books
- Journals

Cash books

Dr			Cash			
1862		TO	Balance from October	33	13	7
Nov	1	“	Royal Bank	30	“	“
“	“	“	-do-	500	“	“
“	2	“	Barnett & Co.	7-3	9	10

			Cash		Cr		
Nov	1	BY	C C Scott	Order Miss McGowan	20	“	7
“	“	“	-do-	Paid him	10	“	“
“	“	“	Building Yard	Railway account materials	2	11	7
“	“	“	Building Yard	Painters wages	1	8	“

From Moss, 'Accounting records'

- Deal with both credit and debit transactions using cash
- Record transactions chronologically
- Analyse transactions
- Are totalled on a regular basis to be posted to the ledger, either directly or through the journal

Day books

7 th December 1888									186
		Brought forward					148	11	4
2024	46	Britannia Eng Wks Coy To 2 wheel castings	Kilmarnock		17	2	-	17	2
2016	159	W & A Rudd To 1 Pm Bearing studd	Kilmarnock	-	2	-			
				-	-	3	-	2	3
2053	183	R Stuart To Brass ashes	Stonehouse 16/	3	7	2	3	7	2

From Moss, 'Accounting records'

- Deal with financial transactions carried out on credit
- Are often split into sales day books and purchase day books
- Record transactions chronologically
- Analyse transactions
- Are posted to the ledger, either directly or through the journal

London January 1861

	Sundries to Rhymney Works						
343	For Iron Supplies this month				19538	1	11
364	Girona Bros						
	January 2 nd Rails for E. E 353.2.18 Rivets -do- 19.573.8 advancement 153	2930	4	11			

- Can act either as a book of prime entry or as a book of secondary entry
- Arrange transactions of the same nature together
- Record transactions chronologically
- Show if transactions are to be posted to the debtor or creditor side of the relevant ledger account

DR	Schunck							
1860								
Dec 11	To Works for Rails for Switches	724	137	7	5	137	7	5
1861								
Jany 3	- do -	1	1818	3	6			

	Souchay & Co						CR		
1861									
Jany 12	By Cash	100	1818	3	6				
Jany 26	- do -	"	187	7	5				
Feb 4	- do -	103	1685	5	4				

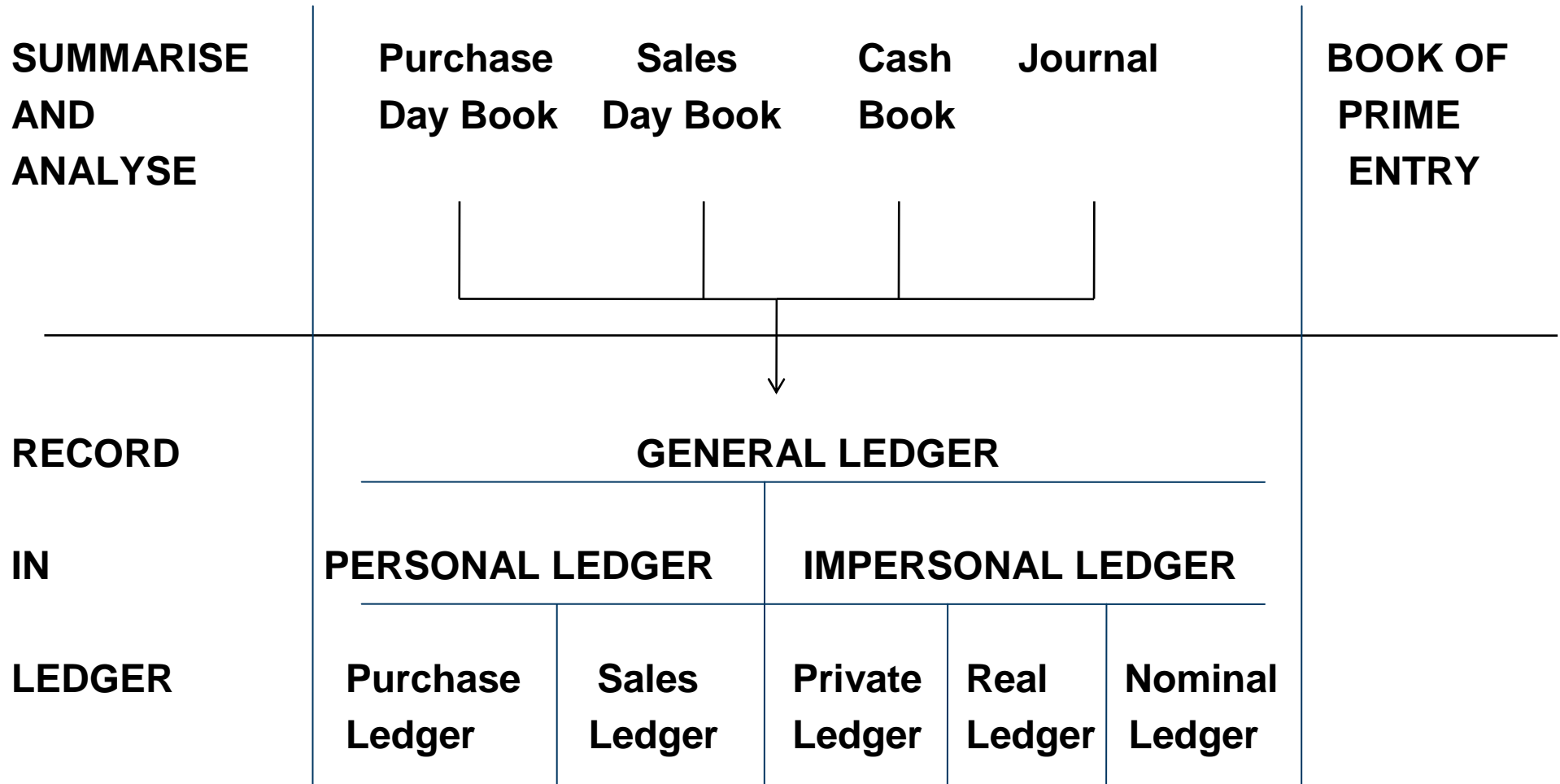
- Nominal, impersonal, real ledgers
 - Accounts not relating to an individual
 - Includes fixed assets, stock, services, wages, property
- Personal ledgers
 - Includes customer and supplier accounts
 - Can be sub-divided
- Private ledger
 - Includes accounts relating to the management and ownership of the business, including personal accounts of owners

- Have the distinctive T account
- The name of account appears at the top of the entries (generally at the top of the page)
- Accounts are balanced regularly
- Often accompanied by an index
- May be sub-divided

- Give an explanation of the terms used in any finding aid
- Provide an explanation of the way in which the transactions work through from the books of prime entry into the ledger

- Cash books 1875-1936
 - Contains details of all cash transactions. Posted directly to personal and impersonal ledgers.
- Journals 1875-1932
 - Contains details of all transactions carried out on credit. Posts to personal and impersonal ledgers.
- Personal ledgers 1880-1940
 - Contains all customer and supplier accounts.
- Impersonal ledgers 1880-1940
 - Contains all accounts, except customer and supplier accounts (see personal ledgers). Includes balance sheets and profit and loss accounts.

Main elements of double-entry



From Boyns, Boyns & Edwards, *Historical Accounting Records*



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Practical tasks