

The Flow of Book Keeping



Golden Rules of Accounting

3 Kinds of Accounts



PLUS ONE ACCOUNTANCY

Real A/c

Debit

What comes in

Credit

What goes out

Personal A/c

Debit

The Reciever (Who owes to business)

Credit

The Giver (Whom business owes)

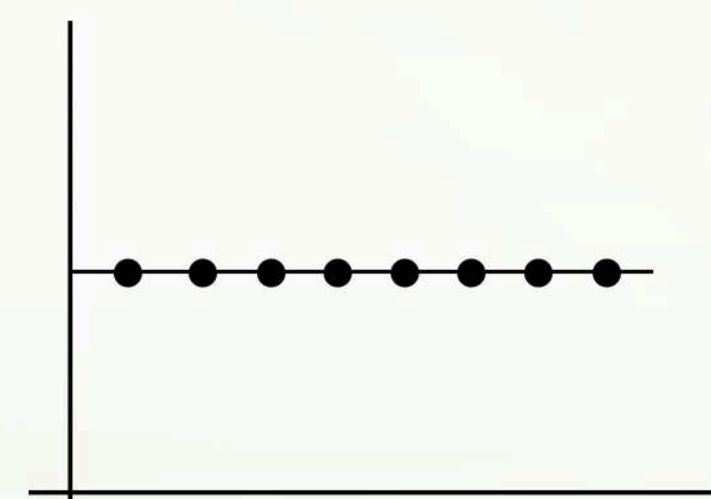
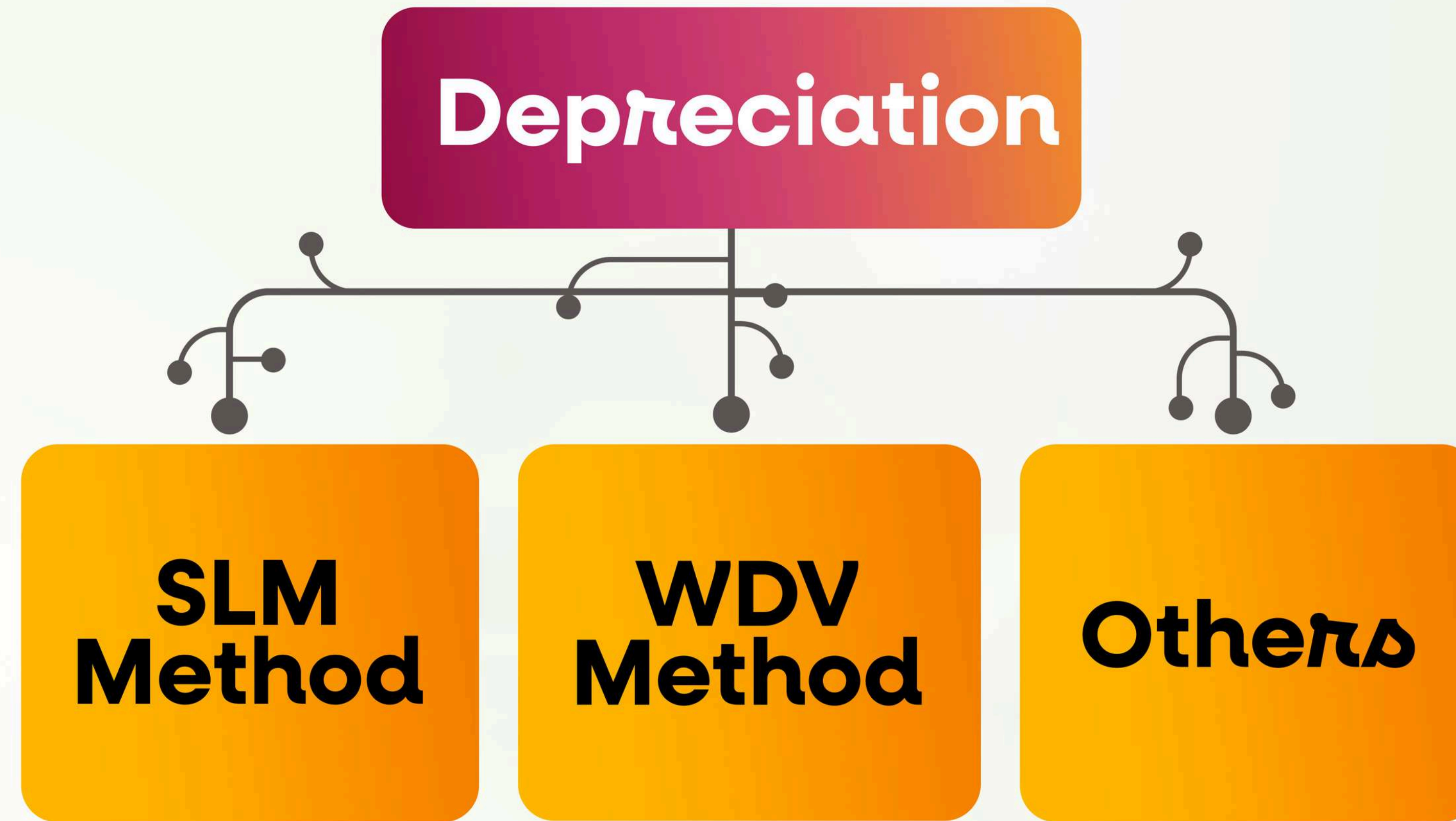
Nominal A/c

Debit

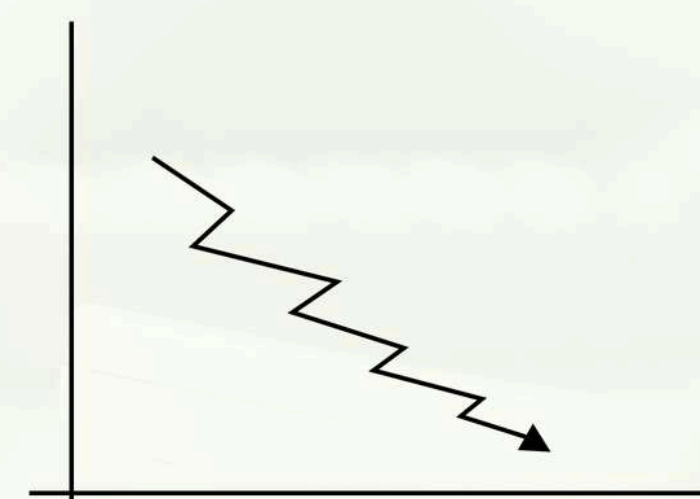
All Expenses and Losses

Credit

All Incomes and Gains

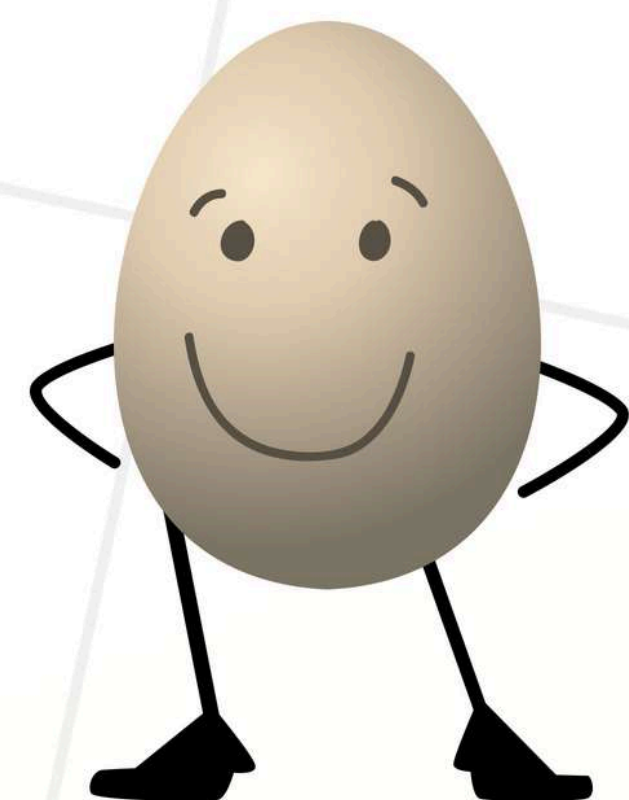


There is a Straight Line
Same amount of Depreciation for all the time



There is a Downward
Depreciation amounts reducing

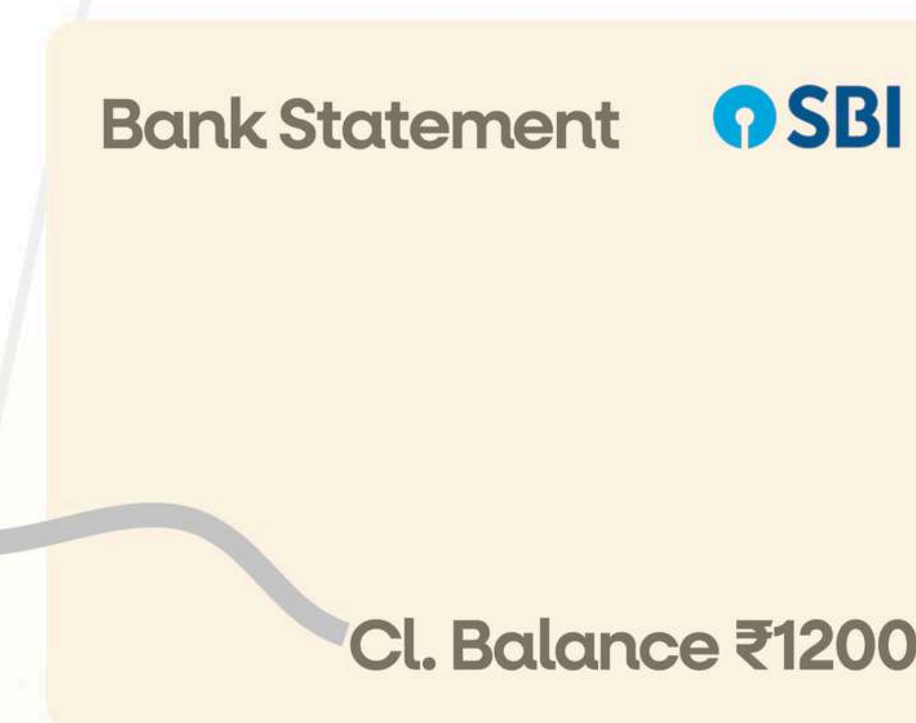
Bank Reconciliation Statement (BRS)



Bank A/c



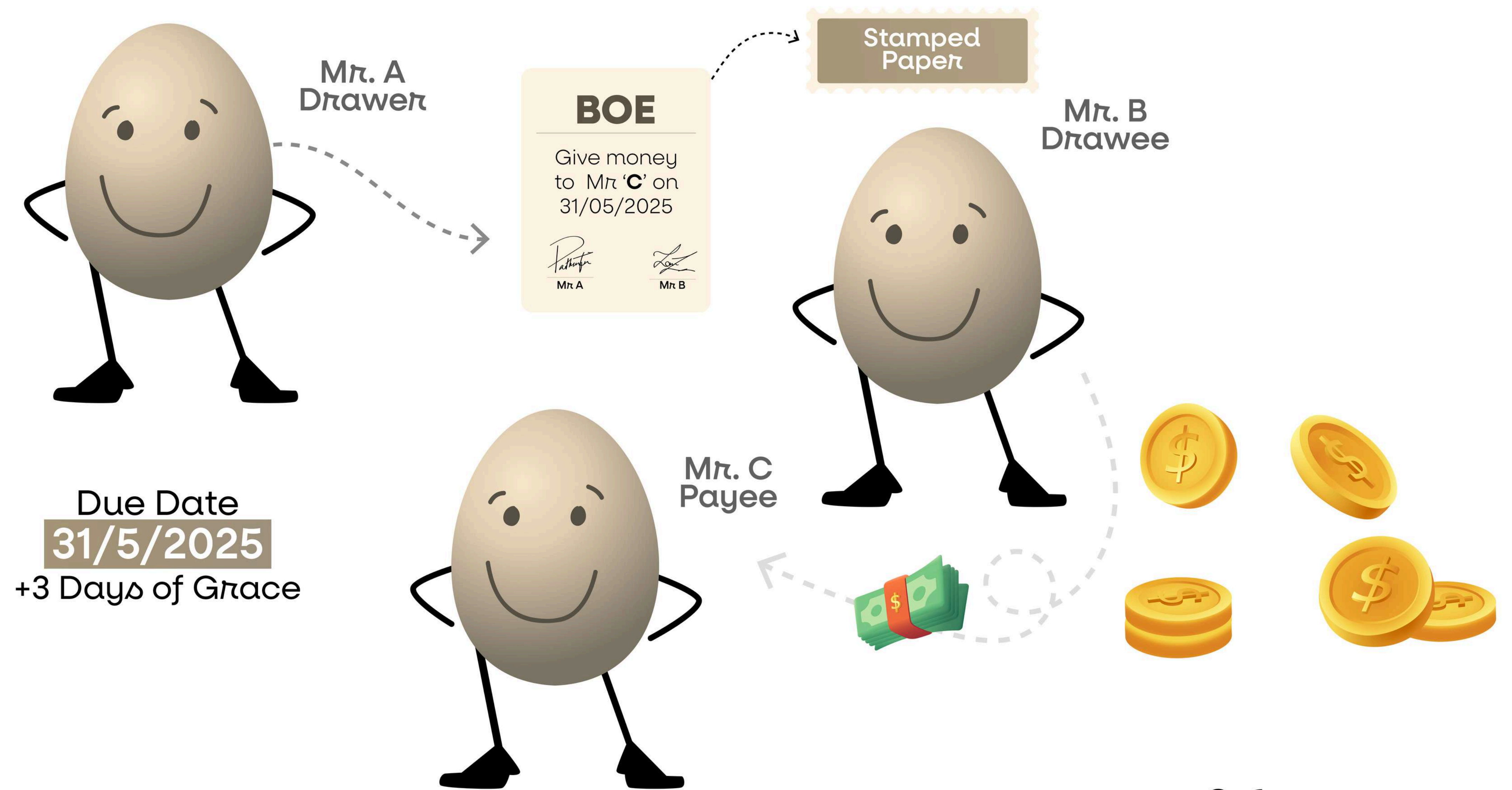
Bank Statement 



Reason

BRS

Bill of Exchange (BOE)



Special Purpose Subsidiary Books

**Cash
Transaction**

**Cash Sales &
Cash Purchase**

**Cash Receipts &
Cash Payments**

Cash Book

**Credit
Transaction**

**Credit Sales &
Credit Purchase**

**Sales Return &
Purchase Return**

**Depreciation &
Bad Debts etc.**

Special Purpose Books



**Sales
Book**



**Sales
Return Book**



**Purchase
Book**



**Purchase
Return Book**



**Cash
Book**



**Journal
Proper**

5 Kinds of Account

Expenses

Revenues

Assets

Liabilities

& Capital

Balance Sheet

Owner's Equity & Liability	Amount	Assets	Amount
Capital Liabilities Non Current Liabilities Current Liabilities		Fixed Assets Gross Value Less Depreciation Intangible Assets Current Assets Inventories Trade Receivable Cash Balance Others	
	XXX		XXX

5 Kinds of Account

Expenses Revenues
Assets Liabilities & Capital

Trading & Profit & Loss Account

Particular	Amount	Particular	Amount
Cost of Goods Sold		Sales	
Gross Profit c/d			
Indirect Expenses		Gross Profit b/d Indirect Incomes	
Netprofit to Capital A/c			