



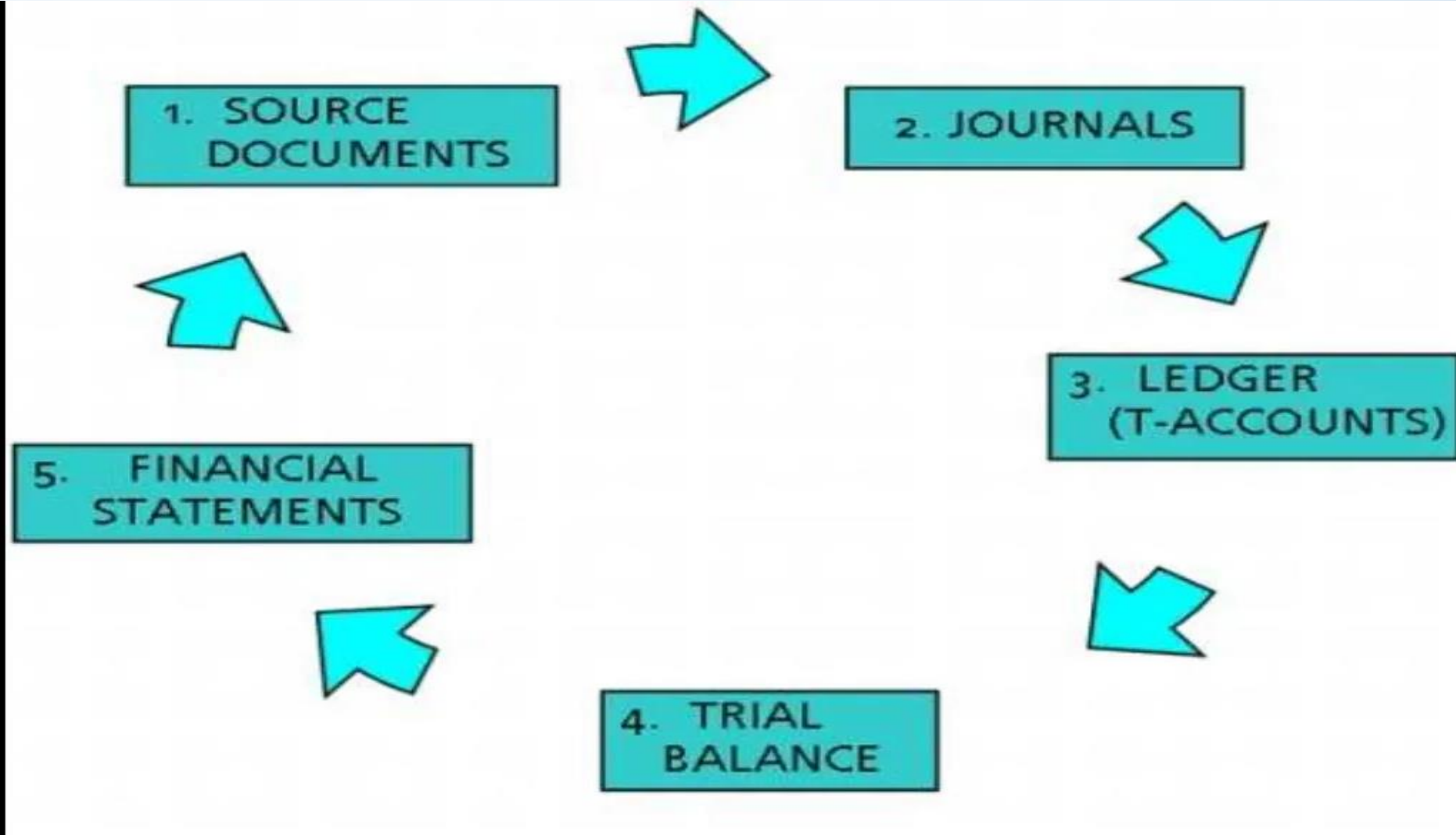
Accounting Process

Journal Entry to Balance Sheet

AGENDA

- What is Accounting, its history and why it is needed?
- JE to BS flow
- Every JE matches balance sheet
- Balance sheet 5 terms 5 Rules

JE to BS process



INVOICE

East Repair Inc.
1912 Harvest Lane
New York, NY 12210

BILL TO

John Smith
2 Court Square
New York, NY 12210

SHIP TO

John Smith
3787 Pineview Drive
Cambridge, MA 12210

INVOICE

US-001

INVOICE DATE

11/02/2019

P.O.#

2312/2019

DUE DATE

26/02/2019

LOGO

QTY	DESCRIPTION	UNIT PRICE	AMOUNT
1	Front and rear brake cables	100.00	100.00
2	New set of pedal arms	15.00	30.00
3	Labor 3hrs	5.00	15.00
Subtotal			145.00
Sales Tax 6.25%			9.06
TOTAL			\$154.06

John Smith

TERMS & CONDITIONS

Payment is due within 15 days

Please make checks payable to: East Repair Inc.

Thank you

भारतीय डेमो बैंक
Demo Bank of India

375, COMMERCIAL POINT BRANCH
NETAJI SUBHAS ROAD
KOLKATA 700001
IFS Code: DBIK063122

बिस्व 3 पक्षों के लिए वैध / VALID FOR 3 MONTHS ONLY
1 7 0 9 2 0 1 7
D D M M Y Y Y Y

PAY HSBC CAR LOAN A/C NO. 5893252132 को या उनके आदेश पर OR ORDER

रुपये RUPEES ONE LAKH TWENTY THREE THOUSAND FIVE

HUNDRED ONLY

₹ ***1,23,500/-

च.सं. A/c No. 230995329781824

A/c Payee

for PDS Infotech Inc.

Prefix : 1515900002

MULTI-CITY CHEQUE Payable at Par at All Branches of SBI

Please sign above

⑈950020⑈ 695002032⑈ 002860⑈ 3⑈



FIRST BANK OF WIKI

1425 JAMES ST, PO BOX 4000
VICTORIA BC V8X 3X4 1-800-555-5555

CHEQUING ACCOUNT STATEMENT
Page : 1 of 1

JOHN JONES
1643 DUNDAS ST W APT 27
TORONTO ON M6K 1V2

Statement period	Account No.
2003-10-09 to 2003-11-08	00005-123-456-7

Date	Description	Ref.	Withdrawals	Deposits	Balance
2003-10-08	Previous balance				0.55
2003-10-14	Payroll Deposit - HOTEL			694.81	695.36
2003-10-14	Web Bill Payment - MASTERCARD	9685	200.00		495.36
2003-10-16	ATM Withdrawal - INTERAC	3990	21.25		474.11
2003-10-16	Fees - Interac		1.50		472.61
2003-10-20	Interac Purchase - ELECTRONICS	1975	2.99		469.62
2003-10-21	Web Bill Payment - AMEX	3314	300.00		169.62
2003-10-22	ATM Withdrawal - FIRST BANK	0064	100.00		69.62
2003-10-23	Interac Purchase - SUPERMARKET	1559	29.08		40.54
2003-10-24	Interac Refund - ELECTRONICS	1975		2.99	43.53
2003-10-27	Telephone Bill Payment - VISA	2475	6.77		36.76
2003-10-28	Payroll Deposit - HOTEL			694.81	731.57
2003-10-30	Web Funds Transfer - From SAVINGS	2620		50.00	781.57
2003-11-03	Pre-Auth. Payment - INSURANCE		33.55		748.02
2003-11-03	Cheque No. - 409		100.00		648.02
2003-11-06	Mortgage Payment		710.49		-62.47
2003-11-07	Fees - Overdraft		5.00		-67.47
2003-11-08	Fees - Monthly		5.00		-72.47
*** Totals ***			1,515.63	1,442.61	

JOURNAL ENTRIES

Real/Nominal/Personal
Income/Exp/Asset/Liability/Equity

Debit	Credit
Expenses – P&L	Income – P&L
Asset – BS	Liability – BS
	Equity - BS



Dr Statement of P&L Cr

	Income	xxx
Expenses	xxx	

Cr BALANCE SHEET Dr

Equity	xxx	Assets	xxx
Liabilities	xxx		

TYPES OF ACCOUNTS:

Type of Account	Golden Rules
Real Account	<ul style="list-style-type: none">*Debit what comes into the business*Credit what goes out from the business
Personal Account	<ul style="list-style-type: none">*Debit the receiver*Credit the giver
Nominal Account	<ul style="list-style-type: none">*Debit the expense or loss of the business*Credit the income or gain of the business



JE to Ledger

Journal Entries:

Office expenses	1500	
To Adil		1500

(Being calculators purchased from Adil)

Adil	1500	
To Bank		1500

Ledgers:

Office expenses

To Adil	1500	By P&L	1500
Total	1500	Total	1500

Adil

To Bank	1500	By office exp	1500
Total	1500	Total	1500

Balance sheet

To bal. c/d	1500	By Adil	1500
Total	1500	Total	1500

TRIAL BALANCE

Particulars	Debit	Credit
Office expenses	1500	-
Adil	-	-
Bank	-	1500
TOTAL	1500	1500

Statement of Profit & Loss

Office expenses	1500		
		By Net loss (trf to Reserves & Surplus)	1500
TOTAL	1500	TOTAL	1500

Balance Sheet

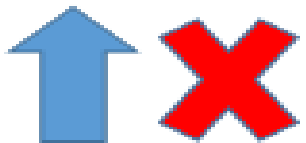
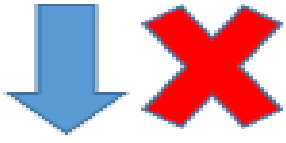
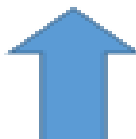
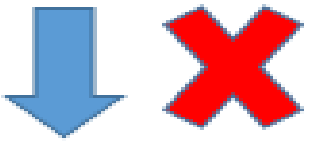
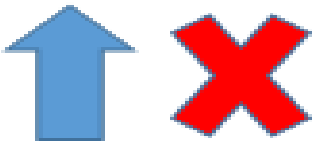
Net loss	(1500)		
		Bank	(1500)
TOTAL	1500	TOTAL	1500

BALANCE SHEET

EQUITY/LIABILITIES

ASSETS

RULE OF BALANCING IN BALANCE SHEET



Trading Account

(For the year ended...)

Dr.

Cr.

Particulars	Amount	Particulars	Amount
To Opening stock	Xxx	By Sales	xxx
To Purchases	xxx	Less: Return Inwards	<u>(xxx)</u>
Less: Return Outwards	<u>(xxx)</u>	By Closing stock	Xxx
To Wages	Xxx	By Gross Loss	Xxx
To Carriage Inwards	Xxx		
To Freight Inwards/cartage	Xxx		
To Gross Profit c/d	Xxx		
	<u>xxx</u>		<u>xxx</u>

ABC Company
Profit and Loss Account
For the year ended 31st Dec.

	\$		\$
Gross Loss (Transferred from Trading A/c)	XXXX	Gross Profit (Transferred from Trading A/c)	XXXX
Office and Administration Expenses:		Commission Received	XXXX
Salaries	XXXX	Rent Received	XXXX
Rent, Rates and Taxes	XXXX	Interest received	XXXX
Postage and Telegram	XXXX	Discount received	XXXX
Telephone Charges	XXXX	Discount from Creditors	XXXX
Printing and Stationery	XXXX	Discount on Purchases	XXXX
Office Electricity	XXXX	Dividend Received	XXXX
Insurance	XXXX	Interest on Drawings	XXXX
Legal Charges	XXXX	Reserve for Discount on Creditors	XXXX
Marketing and Selling Expenses		Interest on Renewal of bills	XXXX
Carriage outwards	XXXX	Bad Debts Recovered	XXXX
Freight Outwards	XXXX	Provision for Bad Debts (Cr.)	XXXX
Sales Salaries	XXXX	Royalty Received	XXXX
Advertisement	XXXX	Apprentice Premium	XXXX
Godown Rent	XXXX	Miscellaneous Income	XXXX
Commissions	XXXX	Sundry Income	XXXX
Discount Allowed	XXXX		
Bad Debts	XXXX		
Financial and Other Expenses:			
Bank Charges	XXXX		
Interest	XXXX		
Depreciation	XXXX		
Repairs and Maintenance	XXXX		
Audit Fees	XXXX		
Loss by Theft, Accident and Fire	XXXX		
Miscellaneous and Sundry Expenses	XXXX		
Net Profit Transferred to Capital	XXXX	Net Loss (Transferred to Capital)	XXXX

Liabilities	National Enterprises as at 1-Sep-2020		Assets	National Enterprises as at 1-Sep-2020	
Capital Account		5,95,00,000.00	Fixed Assets		5,70,50,000.00
Drawings of Owner	(-)5,18,000.00		Computer	50,000.00	
Owner's Capital	<u>6,00,18,000.00</u>		Furniture	5,00,000.00	
Loans (Liability)		58,69,318.00	Land and Building	5,52,00,000.00	
Bank OD A/c	75,000.00		Maruthi Van	<u>13,00,000.00</u>	
Secured Loans	60,000.00		Investments		50,000.00
Bank Loans	<u>57,34,318.00</u>		Commodities	<u>50,000.00</u>	
Current Liabilities		1,90,672.58	Current Assets		42,44,207.21
Duties & Taxes	2,17,644.18		Closing Stock	19,51,195.69	
Provisions	60,000.00		Deposits (Asset)	12,000.00	
Sundry Creditors	<u>(-)86,971.60</u>		Loans & Advances (Asset)	1,25,000.00	
Difference in opening balances		8,75,000.00	Sundry Debtors	6,68,460.39	
			Cash-in-Hand	2,25,000.00	
			Bank Accounts	9,92,551.13	
			CGST ITC	50,000.00	
			IGST ITC	1,50,000.00	
			SGST ITC	<u>50,000.00</u>	
			Profit & Loss A/c		50,90,783.37
			Opening Balance		
			Current Period	<u>50,90,783.37</u>	
Total		6,64,34,990.58	Total		6,64,34,990.58

*Any
doubts?*

