Introduction to Bookkeeping

1.

a) Bookkeeping is a record and Storage and retrieving Financial Records for a company

b) Accounting is a recording of financial records and summarise the financial information and interpreting financial records

2. The two methods is in the timing of the transaction recorded

a) Cash is intermediate Recognition (revenue)

b) Accrual Method when the expenses are paid out

3. Balance sheet is a financial Statement of the business which shows the company’s financial

Situation. Balance sheet shows the assets, liabilities and equity of the company

4.

a) Journal Ledger is a chronological record of the business transactions

b) General Ledger is a part of the accountancy record (when transaction occur must be recorded)

c) Trail Balance is closing balance of a ledger accounts

d) Internal audit is evaluating an organisation management of risk

e) External audit perform an audit to the law and rules of the financial statement of a company. This shows “true and fair” of past and present financial statement