

Practical Bookkeeping A Four-Day Programme



Aim and Objectives

The aim of this course is that the delegates gain knowledge of bookkeeping and can apply that knowledge to practical accounting scenarios.

The other objectives are to introduce basic accounting concepts and terminology to the delegates whilst reinforcing these through practical examples, exercises and calculations.

No prior experience of accounting is required although delegates should have some basic mathematical ability and should bring a calculator to the course.

By the end of this course, participants will be able to:

- Perform double entry bookkeeping
- Deal with year-end adjustments
- Reconcile year-end accounts
- Compile a set of accounts from an extended trial balance

Methodology

The course will involve instruction in the rules of the accounting standards with a focus on actively involving participants in discussion and practical application of standards. The course will run on a workshop basis with each workshop including:

- Short instructor-led sessions
- Slide presentations
- Practical exercises

Day One

Session 1

Introduction to bookkeeping

- Definitions of debits and credits
- DEAD/CLIC
- “T” Accounts

Session 2

Balance Sheet

- Format
- Contents
- Definition of “Assets”
- Definition of “Liabilities”
- Definition of “Equity”

Session 3

Profit and Loss Account

- Format
- Contents
- Definition of “Revenue”
- Definition of “Expenses”

Session 4

Accounting Concepts

- Accruals Concept and Matching
- Going Concern Principle

Session 5

Accruals and Prepayments

- Accruals at year-end
- Prepayments

Day Two

Session 1

Stock/Inventory

- Definitions of raw materials, work in progress and finished goods
- Accounting rules for stock
- Double entry conventions

Session 2

Fixed Assets/Property, Plant and Equipment

- Definitions of Fixed Assets
- Accounting principles including depreciation
- Double entry accounting for assets

Session 3

Fixed Assets/Property, Plant and Equipment

- Dealing with disposals of assets
- Impairments of assets

Session 4

Fixed Assets/Property, Plant and Equipment

- Exercise dealing with purchases, disposals and impairments of assets during the year in a scenario based on real-life

Session 5

Bad and Doubtful Debts

- The principles behind accounting for bad and doubtful debts
- The difference between “bad” and “doubtful”
- Double entry accounting for the bad debt provision
- Double entry accounting for bad debt expenses

Day Three

Session 1

Books of Prime Entry

- Sales day book – what it is and how to use it
- Purchase day book – what it is and how to use it
- Other books of prime entry

Session 2

Bank Reconciliation

- Why companies reconcile the cash book to the bank statements
- Reconciling items
- A practical example of how to reconcile the bank balance

Session 3

Control Account Reconciliations

- Debtors ledger control account – what it is and how to use it
- Creditors ledger control account – what it is and how to use it
- Other control account reconciliations
- A brief introduction into accounting for VAT

Session 4

The Extended Trial Balance

- How to present the ETB
- A practical exercise using the adjustments worked out on days 1 and 2

Session 5

The case study

- An introduction to the case study that will be worked through on day 4

Day Four

Sessions 1 - 4 The Case Study

Delegates will work through a series of accounting adjustments to prepare the year-end accounts for the fictitious company in the case study.

This company will have a number of transactions to deal with involving sales, purchases, accruals and prepayments. The delegates will also have to process some items which have been excluded in error from the trial balance (for example dealing with an asset which has not been accounted for).

The delegates are given invoices and copies of bank statements and cheque stubs etc and so the scenario is as real to life as is possible. The delegates will complete manual double entries for the transactions to ensure that they have gained a thorough appreciation of how the accounts “work” without relying on electronic systems.

At the end of the exercise delegates should have compiled a balance sheet and profit and loss account accurately.

Session 5 Course Summary and Evaluation