

## **HOW TO PREPARE AND MAINTAIN FULL SET OF ACCOUNTS**

### **Key focus**

1. Understanding the basics and necessity of Accounting
2. Understanding the glossary of accounting terms
3. To explain and understand the concept of double-entry (debits and credits)
4. To fully understand what is meant by 'books must be balanced'
5. Understanding accruals, prudence and matching concepts, as well other accounting principles
6. Understanding what are financial statements (Balance Sheet, Income statement, Cash-flow statement)
7. Relationship between all accounts and the financial statements (how and which category do they fall into)
8. Understanding journal entries, Accounts Receivables, Account Payables
9. Understanding interaction between Inventories and related accounts
10. How to provide for depreciation, bad debts, and other entries
11. Understanding and interpretation of financial statement
12. Understanding how computerized accounting systems works

### **Who will benefit**

Accountants, Accounts and Finance executives, Accounts clerks, Book-keepers, Accountancy students

**Take The Next Step**

## Day one

### 1. History and the necessity of bookkeeping.

- Origin and brief background of bookkeeping
- Difference between financial accounting & management accounting
- Why and necessity of bookkeeping
- Different styles of bookkeeping

0900-1030

### 2. Glossary & understanding of terms (depreciation, financial statements, asset, liability, capital, equity, preference shares, debits & credits, amortization)

- Understanding financial statements, assets, liability, capital
- Explanation of depreciation, amortization
- Understanding share capital, debentures and different structures of capital

*Morning tea break*

1030-1045

### 3. Concept of 'double-entry' in accounts

- What is 'double-entry'?
- The meaning of balancing the accounts and General Ledger
- Concept of Trial balance and financial statements

1045-1300

### 4. Accruals, prudence and matching concepts

- Understanding accounting principles and standards
- Understanding accrual concept
- Understanding prudence concept
- Knowing matching concept

*Lunch*

1300-1400

### 5. Journal entries and posting into accounts; Fixed Assets accounting

- The concept of journal entries
- Concept of 'double-entry' and journal postings
- Accounting for Fixed assets
- Making entries for depreciation, amortizations, bank charges, and interests.

1400-1530

*Afternoon tea break*

1530-1545

Take The Next Step

**6. Accounts Receivable & Accounts Payable; Bank Reconciliation**

- Understanding how Accounts Receivable work and relates to General ledger
- Understanding how Accounts Payable work and relates to General Ledger
- Performing Bank Reconciliation and AR, AP reconciliations

1545-1700

**Day two**

**7. Inventory accounting and methods of valuation**

- How Inventory works and interaction with General ledger
- Different valuation methods of Inventory: FIFO, LIFO & Weighted average
- Treatment of Raw materials, WIP and Finished Goods
- Advantages & disadvantages of each method of valuation

0900-1030

*Morning tea break*

1030-1045

**8. Hire-purchase and loan accounting**

- Understanding hire purchase and loan
- Accounting entries relating to hire purchase and loan

1045-1300

**9. Share capital, share premium and other sources of funding and reflection in books**

- Understanding share capitals and accounting entries on floating
- Share premium accounting
- Redemption of shares and debentures; buy-back

*Lunch*

1300-1400

**10. Computerized/Automated Accounting**

- Working in a computerized accounting environment
- Difference between manual and computerized accounting
- Real time vs. batch processing

1400-1530

*Afternoon tea break*

1530-1545

**Take The Next Step**

**11. Interpretation of financial statements (quick look at ratio analysis)**

- ▶ Computation and interpretation of liquidity, profitability and investors' ratios
- ▶ Ratio analysis and financial statement reading

1545-1700

Take The Next Step