Double entry bookkeeping examples excel

We have free spreadsheets for small business owners to track and record their small business accounting data!Maintaining proper accounting records is imperative to a small business owner.You need to be able to tell at a glance from your business transactions where you stand financially in order to make sound business decisions.If you’re like me, you don’t have the time or the money to set up an expensive accounting program when you are trying to get your small business up and running with all of the different account types.So I built some accounting spreadsheets that will automatically generate monthly, quarterly, and annual income reports.With them you can tell at a glance if you can afford that printer you so desperately need; make tax time less stressful; and have the reports ready in an instant to take to the bank for that small business loan.Simply fill in the form below and after you have confirmed your subscription you will receive a welcome email with a link to your free spreadsheets.(Descriptions of all free accounting software downloads are below)Free Accounting Spreadsheet DescriptionsAll of my free accounting workbooks are single entry accounting spreadsheets.See my double entry bookkeeping page for the difference between single and double entry accounting systems.If you can afford it and have the time to learn it, double entry software is usually the best for your accounting needs.However, if you are a small business that is just starting up and you cannot afford expensive accounting software yet, my accounting spreadsheets may be just what you need.If you are a church or nonprofit, I have free spreadsheets designed specifically for you.I have 2 free accounting workbooks available.Note: You must have MS Excel or another compatible spreadsheet application like OpenOffice installed on your computer to download and use the accounting spreadsheets.Automatic Free Accounting Spreadsheets:I have 1 “automatic” free accounting workbook (set of spreadsheets) available from this site.It has fields for up to 9 income accounts and 28 expenses accounts.The workbook includes:12 Monthly General Ledger templates(automatically carry all totals to a monthly income statement)12 Monthly Profit and Loss Reports (all the totals from the monthly reports automatically generate an quarterly report that then generate an annual report)4 Quarterly P/L Reports1 Annual P/L Report1 Summary P/L Report (shows monthly income and expenses for comparisons)1 Budget to Actual Report (compares annual budget to previous year’s and current year’s expenses)Attention: I ask you to sign up for my free newsletter because it is the only way I can contact you to alert you to any errors in my spreadsheets; however, if you do not wish to be contacted and do not wish to receive my free newsletter…here is the download page for the spreadsheets: Manual Free Spreadsheet:This workbook includes:12 Monthly General Ledgers12 Monthly Profit and Loss Statement Reports4 Quarterly P/L Reports1 Annual P/L ReportUnlike my automatic accounting spreadsheets….only the annual report is automatically generated. You will have to manually put in all the totals for the monthly reports.Since it is easily modified, it is good for start up businesses.Expense Report TemplateAre you looking for an easy and simple Excel Expense Report Template to track business expenses such as cost of goods? Check out our free excel template.Accounts Payable SpreadsheetOur Accounts Payable Template is an Excel spreadsheet to make it easy to keep track of how much your business owes to vendors and suppliers and when those payments are due.Income Statement TemplateLooking for an income statement example to use for your business? Click to download our free Microsoft Excel-based sample income statement template.Balance Sheet TemplateWe also have a free balance sheet spreadsheet template in Excel to calculate assets, liabilities and net worth.Mileage Log SpreadsheetTo help with mileage tracking, here is a PDF Mileage Log Template that you can print out and keep in your vehicle, or in a binder or folder. If you would like to keep your mileage in a simple spreadsheet, here is a free Excel Mileage Log Template.Additional Resources Centerfield’s journal entries What is a debit in accounting? Post debit entries on the left side of each journal entry. Asset and expense accounts increase with a debit entry, with some exceptions. In entry No. 1, inventory (an asset account) increases with a $10,000 debit. What is a credit in accounting? Post credit entries on the right side of each journal entry. Liability and revenue accounts increase with a credit entry, with some exceptions. Accounts payable, for example, is a liability account that increases with a credit. In entry No. 2, accounts payable decreases with a debit when Centerfield pays cash to remove a payable balance. The total dollar amount you post to each debit account must equal the total dollar amount of credits. Each journal entry has an equal amount of debit and credit dollar amounts. The total debits and credits for the partial listing total $20,000. The number of debit and credit entries, however, may be different. Using the balance sheet formula to post journal entries The balance sheet formula (or accounting equation) determines whether you use a debit or a credit for a particular account. The balance sheet is one of the three basic financial statements that every business owner should analyze to make financial decisions. Business owners also review income statements and cash flow statements. A balance sheet reports your business’s assets, liabilities, and equity as of a specific date. Assets are what your business owns. Assets are the resources you use to produce revenue. Liabilities are what your business owes to other parties. Liabilities include accounts payable and long-term debt. Equity is the difference between assets and liabilities. You can think of equity as the true value of your business. A balance sheet formula connects the balance sheet components. Add liabilities to equity to determine your assets. Assets = liabilities + equity You can use the formula to create financial statements. But assets must stay balanced with liabilities and equity. Assume, for example, that a business issues a $10,000 bond and receives cash. The company posts a $10,000 debit to cash (an asset account) and a $10,000 credit to bonds payable (a liability account). On your balance sheet, you’d add the $10,000 increase in liabilities to the $0 change in equity to get a $10,000 assets increase. $10,000 assets increase = $10,000 increase liabilities + $0 change equity Accounting software ensures that each journal entry balances the formula and total debits and credits. How to post journal entries using Excel Follow these steps to create accounting templates for your journals each month: Copy and paste your chart of accounts into the spreadsheet. Set up the column headings for date, account number, account title, etc. Add rows to the document each time you need to post a journal entry. Copy and paste the account numbers and account titles from the chart of accounts into the entry. Use formulas to ensure that total debits equal total credits. Add a total formula that tracks the total dollar amount of debits and credits for all journal entries. Now, you’ve created your journal entry for your general ledger. How to use the general ledger to create financial statements A company’s general ledger is a record of every transaction it posts throughout its lifetime, including all journal entries. Business owners and accounting professionals use the data in the general ledger to create financial statements. General ledgers sort transactions by account. Each account lists the journal entries that posted activity to the account during a particular month. General ledgers provide the date, journal entry, and the entry description, along with the debit or credit amount and the ending balance. It’s important to note the cash general ledger page only lists the cash portion of each journal entry. Journal entry No. 1 only lists the $10,000 reduction (credit) in cash. The inventory increase (debit) is listed in the inventory general ledger but not in the cash general ledger. The benefit of the general ledger is that you can review every journal entry that impacted a particular account. Unfortunately, creating a general ledger using Excel is time-consuming. And a large number of data entries may increase the risk of error. Everything should be made as simple as possible, but not simpler. | Albert Einstein In order to create a new accounting file, there are different modes. Here we explain how to start an accounting, starting from an existing template included in the program. File menu, New command From the Group section, select Double-entry accounting In the File section, select Double-entry accounting or Double-entry accounting with VAT/Sales tax. In the Examples/Templates section, select the language/nation and choose one of the templates that is closest to your own needs By clicking on the Online Templates button you can access our website where we published all templates available for free. Select the language and the country for the templates. From the File menu, File properties command, Indicate the company name that will appear in the headers of the printouts and on the other data. Select the basic currency, with which the accounting will be kept. General use of the program Banana Accounting inspires itself from Excel. The user directions and the commands are kept as similar as possible to the ones of Microsoft Office. For more information on the general use of the program, we refer to the explanations on our page Program interface. The accounting is being contained in tables; all of them have the same way of operating. Saving the file From the File menu choose the Save as... command, preferably indicating the name of the company and the current year (for example, "company_2017") Choose the folder where the file should be saved (for example, Documents -> Accounting) The program will add the "ac2" extension. Exchange rates table Before entering multi-currency transactions it is necessary to define the parameters of the used currencies in the Exchange rates table. Customizing the Chart of accounts In the Accounts table, customize the Chart of accounts and adapt it to your own needs: Add accounts and /or delete existing accounts (see Adding new rows) Modify the account numbers, the descriptions (for example, enter the name of your own Bank account), enter other groups, etc. To create subgroups, please consult our Groups page. In the Chart of accounts, you can also define Cost centers or Segments, used to attribute the amounts in a more detailed or specific way. The Transactions table The multicurrency transactions have to be entered into the Transactions table; together they compose the Journal.   Speeding up the recording of the transactions In order to accelerate the recording of the transactions, you can use the Smart fill function that allows the automatic autocomplete of data that have already been entered at an earlier date the Recurring transactions function, used to memorize recurring transactions into a separate table the import of your bank or post statement from e-banking Checking customer and supplier invoices Banana allows you to keep an eye on the invoices to be paid and the receivable, issued invoices. Please consult: Customers sub-menu Suppliers sub-menu The Account card The Account card automatically displays all the transactions that have been recorded on the same account (for example, cash, bank, clients, etc). To display an account card, just position yourself with the mouse on the account number and click on the small blue symbol that appears. Account card by period To display the account card with the balances referring to a specific period, click on the Account1 menu, Account card command, and in the Period section, activate Period Selected, entering the Start and the End date of the period. For more details, consult the page Period. Printing the Account card In order to print one account card, just display the card from the Accounts or the Transactions table and launch the print from on the File menu. To print several or all account cards, click on the Account1 menu, Account card command, and select the account cards that need to be printed. By means of the Filter, all the account cards, or only a part of all of them (for example, only accounts, cost centers, segments), that need to be printed can be automatically selected. For more details, consult the page Account Card. The Balance Sheet and Profit and Loss Statement The Balance sheet shows the balances of all the estate accounts, Assets & Liabilities. The difference between the Assets and the Liabilities determines the Share capital.   The display and the printing of the Balance Sheet is being executed from the Account1 menu, commands Enhanced Balance Sheet or Enhanced Balance Sheet with groups. The Enhanced Balance Sheet command simply lists all the accounts without distinguishing Groups and Subgroups The Enhanced Balance Sheet with groups command lists all the accounts while subdividing Groups and Subgroups; besides, it presents numerous features to customize the presentation, functions that are not provided in the Enhanced Balance Sheet. Data archiving in PDF format At the end of the year, when the entire accounting has been completed, corrected and audited, all the accounting data can be archived with the Create PDF dossier command of the File menu. The Budget Before you begin a fiscal year, you can estimate the costs and revenue, so you have your company's economic and financial situation under control.   The budget can be set up in two different ways: Accounts table, Budget column. For each account, the annual budget amount is being indicated. In this case, when you set up the Budget from the Account1 menu, Enhanced Balance Sheet with groups command, the Budget column displays the amounts that refer to the entire year. In the Budget table, that can be activated through the Tools menu, Add new functionalities command. In this table, you can enter all the budgeted costs and revenue by means of entering transactions. If you activate this table, the column of the accounts table will be automatically deactivated. In this case you can set up a detailed budget, taking into account the possible variations over the year and in different periods of the year. For more details, consult the Budget page.

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