BOOK KEEPING.

Bookkeeping is the act of recording day-to-day financial transactions of the business.

Bookkeeping is the act and process of organizing and recording all business transactions that have occurred in course of the business.

Like if you sell stationary,any sales you write down like sales of s pen or pencil is referred to as bookkeeping.

The way the bookkeeping is managed determines the accuracy of the overall accounting process that is being followed by the business. Do bookkeeping helps that the records of financial transactions are up-to-date and accurate.

IMPORTANCES OF BOOK KEEPING

Bookkeeping helps us to know the receipts,payments,sales,purchases and record of all business transactions made .

It helps in simplifying and summarizing incomes and expenditures and all ledger recordings over time.

Bookkeeping helps in providing all the information that is needed in creating financial reports ,which helps us to know if a business is making profits or losses and it's worth over a given period of time.

TYPES OF BOOK KEEPING

Single entry

Single entry bookkeeping is a form of bookkeeping characterized by the fact that only one entry is made for each transaction.

It usually works very well for business that's are just starting up or that are small.

Let's take an example of a retail shop,when a seller only records sales of goods in a single line and expenses in another line ,that's still considered to be single entry.

Its an easy way of recording for a business since you just write down what you sell or spend.

Double entry

Double entry bookkeeping is a form of bookkeeping where by two entries are made for each transaction that is a debit in one account and a credit in another .

This type of bookkeeping is usually used by fairly large organisation for they need to keep detailed track of all the transaction they carry out.