



Business Records

Bookkeeping and accounts are an *investment*, of your time and energy, which must earn a return in terms of improved profit.

Some very successful businesspeople do not keep any records at all; records alone cannot guarantee success.

- If you cannot *use* your business records, don't bother to keep them!
- Every record must have a *purpose*; *why* do you need that information, how does it help you run your business better?

The most basic records, which even a small business can use, are:

1) **The Cash Book:** which can be laid out like this:

DATE	ITEM	CASH IN	CASH OUT	BALANCE
.....	A description or a reference to an..... invoice or receipt no.

2) **The bank Book** (if you have a bank account): laid out as above, but relating to cheques paid out and received.

3) **The Accounts Receivable or Debtors Record**, which can be laid out thus:

DATE	ITEM	CREDIT GIVEN	CASH PAID	BALANCE
.....	A description or a reference to an..... invoice or receipt no.

4) **The Accounts Payable or Creditors Record**, which can be laid out as below, or can be combined with the Accounts Receivable Record, showing what you owe and what other people owe you.

DATE	ITEM	CREDIT TAKEN	CASH PAID	BALANCE
.....

5) **A Receipt Book:** this may be combined with an invoice book, and should have at least two copies, one for the customer or supplier, and one for you to transfer into the Cash Book, the Accounts Receivable or the Accounts Payable Record.

It should contain the date, the name of the customer or supplier, space for a brief description, a number and space for signature.

There are many other records which you can have, but with these five you can control your money from day to day, and prepare profit and loss statements and a balance sheet when you need them.

KEEP YOUR RECORDS UP TO DATE!

MAKE SURE IT ALL ADDS UP!