

**Subject: Business Studies**

**Topic: Book-keeping**

**Class: JSS 1**

**Learning Objectives:**

1. Define Book-Keeping
2. Importance of book-keeping
3. Qualities of a Book-Keeper
4. Common Book-Keeping Practices

**Definition of Book-keeping**

Book-keeping may be defined as the art of recording business transactions in a systematic manner so that the books of account will reveal at any time the financial position of the business to the owner and other stakeholders in the business.

Book-Keeping is the act of recording cash and credit transactions of the business daily on a business book so as to show the business owners and stakeholders.

**Importance of Book-keeping**

1. It is for easy reference of business financial records.
2. It shows an accurate standing position of business in relation to its customers i.e. what is owed and what is owed by the firm.
3. It reveals profits and losses position to the company through trading, profit and loss account.
4. It provides information to members of the public who are interested in the business through the balance sheet.
5. Auditors use the books to issue their audit reports.
6. The records kept help in management decision-making.
7. The records project the image of the business to the public.
8. It is a means by which finances of a business can be controlled.

**Essential Qualities of a Book-keeper:**

A book-keeper must possess the following essential qualities:

1. He or she must be truthful and honest
2. False entries should not be made into the book
3. He or she must be hardworking, punctual to work and must show interest in the job
4. He or she must be able to keep records
5. He or she must have a legible handwriting

6. He or she must have retentive memory
7. He or she must be trustworthy.
8. A book keeper must always appear neat and attractive.

**Common Book-keeping Practices**

1. The use of ruler when drawing single or double rulings make for neat accounting work.
2. The Naira and Kobo signs are usually written on top and not in a ruled column.
3. Two zeros are written in the kobo column when an amount to be written does not have the aspect.
4. The kobo column must not be left blank. It should be filled with two zeros
5. When a bookkeeper applies a double ruling across an amount column, this indicates that the work above has been completed and accurate.

Date	Particulars	Amount # : K
June 12	Office supplies	20000. 00
June 15	Office Equipment	40800. 00  <b>60800. 00</b>

**Book-keeping Ethics**

1. Accountability
2. Probity
3. Transparency
4. Objectivity
5. Fairness

**ASSIGNMENTS/TEST**

1. State five importance of Book-keeping.
2. Explain the term book-keeping.
3. State five qualities of book keeper.