

# ***In The Black Bookkeeping***

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## **Client Guidelines**

### **Chart of Accounts**

A list of the various accounts, normally by Assets, Liabilities, Equity, Revenue and Expenses.

### **Accounts Receivable**

#### **Sales**

- Invoices to Customers/Clients
- Enter the date it is generated
- Broken down by service/product, PST, GST and Total

#### **Receipts**

- Payments of above, not always paid in full
- Mark on paid invoice the payment date, amount if different from invoice and the cheque number/cash/visa and appropriate reference
- May require adjustment (discount) or write off at year-end

### **Accounts Payable**

#### **Purchases**

- Invoices from Vendors/Suppliers
- Invoice number and date on face of invoice
- Broken down by allocation (expense account, GST payable, Total)

#### **Payments**

- Mark on invoice cheque date, plus cheque number
- Paid through Accounts Payable, if invoice is entered, otherwise paid manually
- Normally paid in full, unless discount taken

#### **Manual Cheques**

- Skips the step of entering an invoice, and is expensed directly (e.g. auto, GST, total)

#### **Transfers**

- Recording transfer of funds between Bank Accounts, plus exchange, if applicable
- In some cases, record exchange separately

## **Accounts Payable – cont'd**

### **Visa (A/P)**

- One bill with many transactions
- QuickBooks, reconcile monthly on QB account
- Automatically puts in Accounts Payable
- pay bill through Accounts Payable (**not in reconciliation**)

## **Bank Reconciliation**

- done monthly upon receipt of Bank Statement
- record all entries that should pass through the bank
- check off all transactions that cleared the bank
- some entries may not clear until the following month
- on-line info can keep you abreast of what has cleared daily (option)
- bank charges – enter like manual cheques

## **Client Preparation**

- Sales Invoices, paid and unpaid
- Bank Statement with returned cheques, if possible
- Cheque Stubs
- Bills to be paid, whether paid or unpaid
- Receipts/expenses indicating appropriate expense (e.g. auto)
- Visa bills (indicate which are personal)
- Meals, include tip if applicable, also mark name of persons involved and date if not clear on receipt

## **Print Outs (hard copy)**

- Daily            All transactions
- Monthly        Trial Balance, Balance Sheet, Operating Statement
- Yearly          All records

## **Back Up**

- Floppy disk or CD
- Drive/Server