



The General Ledger

... like a 'T' account ledger...



or.. instead of 'T' accounts....

We can use what is called the 'General Ledger'

Account: _____ No: _____

| DATE | PARTICULARS | P.R. | DEBIT | CREDIT | DR/CR | BALANCE |
|------|-------------|------|-------|--------|-------|---------|
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Account: _____ No: _____

| DATE | PARTICULARS | P.R. | DEBIT | CREDIT | DR/CR | BALANCE |
|------|-------------|------|-------|--------|-------|---------|
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Account: _____ No: _____

| DATE | PARTICULARS | P.R. | DEBIT | CREDIT | DR/CR | BALANCE |
|------|-------------|------|-------|--------|-------|---------|
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Account: _____ No: _____

| DATE | PARTICULARS | P.R. | DEBIT | CREDIT | DR/CR | BALANCE |
|------|-------------|------|-------|--------|-------|---------|
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Account: Cash

No: 1

| DATE | PARTICULARS | P.R. | DEBIT | CREDIT | DR/CR | BALANCE |
|------|-------------|------|-------|--------|-------|---------|
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There is a name....

... and account number on each ledger account.

Account: Cash

No: 1

| DATE | PARTICULARS | P.R. | DEBIT | CREDIT | DR/CR | BALANCE |
|-------|-------------|------|---------|--------|-------|---------|
| Jan 1 | | | 3430 -- | | DR | 3430 -- |
| | | | | | | |
| | | | | | | |
| | | | | | | |

*** EACH line from the General Journal is posted in the ledger!! ***

| DATE | PARTICULARS | P.R. | DEBIT | CREDIT |
|---------------|-------------------------|------|--------|--------|
| 2012 Jan 1 | Cash | | 3430 - | |
| | Capital | | | 3430 - |
| | Opening Entry | | | |
| | | | | |
| 1 | Property | | 200 - | |
| | Cash | | | 200 - |
| | Bought Reading Railroad | | | |
| | | | | |
| 2 | Property | | 150 - | |
| | | | | |

Account: Cash

No: 1

| DATE | PARTICULARS | P.R. | DEBIT | CREDIT | DR/CR | BALANCE |
|-------|-------------|------|---------|--------|-------|---------|
| Jan 1 | | | 3430 -- | | DR | 3430 -- |
| | | | | | | |
| | | | | | | |
| | | | | | | |

Remember the PR (Posting Reference) column?

We put 'J' + the account number. **ex. J1**
to show that we have posted
the transaction.

| DATE | PARTICULARS | P.R. | DEBIT | CREDIT |
|---------------|-------------------------|------|--------|--------|
| 2012 Jan 1 | 1 Cash | J1 | 3430 - | |
| | Capital | | | 3430 - |
| | Opening Entry | | | |
| | | | | |
| | 1 Property | | 200 - | |
| | Cash | | | 200 - |
| | Bought Reading Railroad | | | |
| | | | | |
| | 2 Property | | 150 - | |
| | | | | |

Account: Cash

No: 1

| DATE | PARTICULARS | P.R. | DEBIT | CREDIT | DR/CR | BALANCE |
|------|-------------|------|-------|--------|-------|---------|
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Is the balance of this account a DR or CR?

This is a running total of the account.

It is increased or decreased for each transaction.

Account: Cash

No: 1

| DATE | PARTICULARS | P.R. | DEBIT | CREDIT | DR/CR | BALANCE |
|-------|-------------|------|--------|--------|-------|---------|
| Jan 5 | | | 300 -- | | DR | 300 -- |
| Jan 6 | | | | 100- | DR | 200 -- |
| | | | | | | |
| | | | | | | |

Is the usual balance of this account a DR or CR?

This is a running total of the account. It is increased or decreased for each transaction.

Account: Cash

No: 1

| DATE | PARTICULARS | P.R. | DEBIT | CREDIT | DR/CR | BALANCE |
|------|-------------|------|-------|--------|-------|---------|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

Account: Capital

No: 99

| DATE | PARTICULARS | P.R. | DEBIT | CREDIT | DR/CR | BALANCE |
|------|-------------|------|-------|--------|-------|---------|
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| | | | | | | |
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Opening Entries?

- The first 'opening' entry is in the journal, and must be posted....

| | | |
|-----------------|--------|-------|
| Cash | 12,000 | |
| Equipment | 3,000 | |
| A/P | | 6,000 |
| S. Guy, Capital | | 9,000 |

Beginning Financial Position

| | | |
|-----------------|--------|-------|
| Cash | 12,000 | |
| Equipment | 3,000 | |
| A/P | | 6,000 |
| S. Guy, Capital | | 9,000 |

Beginning Financial Position



So this opening entry, in the general journal, would be posted to the four corresponding accounts in the general ledger!

Account: Cash

No: 1

| DATE | PARTICULARS | P.R. | DEBIT | CREDIT | DR/CR | BALANCE |
|------|-------------|------|-------|--------|-------|---------|
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Let's create a ledger in SkyDrive.... create an excel file called 'Courtland Cougar General Ledger'

To begin, duplicate the 'Cash' account, as shown above....

Once that is complete.... copy (CTRL+C) and paste (CTRL+V) to create 10 more accounts.

- *Keep the 'Account' and 'No' fields empty.-*

The 'Courtland Cougar' Case

Now name and number the accounts in the ledger you just created:

| | | | |
|----|---------------|----|-------------------------|
| 1 | Cash | 21 | Advertising Expense |
| 2 | A/R-Stokes | 22 | Arena Rental Expense |
| 3 | Bus | 23 | Bus Maintenance Expense |
| 4 | Equipment | 24 | Salary Expense |
| 10 | A/P - Klamann | 31 | Ticket Sales Revenue |
| | | 99 | J. Lambert, Capital |
| | | | |
| | | | |
| | | | |

- Call this TAB the 'Ledger'
- Create another TAB called 'Journal'

| | | | | |
|----|---|--|--|--|
| 18 | | | | |
| 19 | | | | |
| 20 | | | | |
| 21 | | | | |
| 22 | 4 | | | |

M ◀ ▶ ▶ ▶ | Ledger | Journal | (+)

- In the 'Journal' tab, create Page 1 of the General Journal for the Courtland Cougars.
- Follow the instructions below:

Instructions:

- Journalize the transactions from the 'Courtland Cougar' case. ***Don't forget the opening entry!***
- Post each of the transaction to its proper account in the Ledger you just created. ***Don't forget to put the 'Posting Reference' (PR) in the Journal once you have the transaction posted!***
- ***Take off a Trial Balance from your ledger. (You should have the balances available for each account. Please show your work to Mr. Alexander.)***

- **** The original Courtland Cougars case is available on the class website. ****