**Unit 15: Bookkeeping**

The bookkeeper records the company's daily transactions: sales, purchases, debts, expenses and so on. Double entry-bookkeeping, is a system that records two aspects of each transaction. Every transaction is both a debit- deduction- in one account and a corresponding credit – an addition- in another account. If a company buys some raw material that it will pay for a month later, it debits its purchase account and credits its suppliers account. If the company sells an item on credit, it debits its sales account and credits its customers account. Each account can be debited or credited. If the bookkeepers do their work correctly, the total of the debits always equal to the total of credits.

For accounts with a large number of transactions, like purchases or sales, companies often records transactions in day books or in a journal, and then put a daily or a weekly summary in the main double-entry records.

In Britain, they call the main books of account ***nominal ledgers.*** The terms of debtors and creditors can refer to both people and money. We can call debtors, companies that owe money or just the sum of money recorded in an account.

**Vocabulary:**

Exercise 1: match each word with its appropriate definition.

Credit – debit – creditors – debtors – ledger – stocks

* An amount entered on the left hand side of an account, recording money paid out.
* A book of accounts.
* Customers who owe money for goods or services not yet paid for.
* An amount entered on the right hand side of an account, recording money received.
* Goods stored ready for sale.
* Suppliers who are owed money for purchases not yet paid for.

Exercise 2: Complete these sentences with the appropriate word.

* …………………. shows where money comes from and where it goes. It is always transferred from one …………………. to another one. Every event is entered twice, once as a credit and once as ………………….
* Most businesses record very frequent transactions in …………………. or in ………………….

Exercise 3: Complete these sentences using « credit » or « debit ».

* If you buy new assets, you ……………………… the cash account.
* If you pay some bills, you ………………… the liabilities account.
* If you buy materials from suppliers on 60 days’ credit, you …………………… the purchases account and ……………………. the suppliers account.
* If you sell something to a customer who will pay 30 days later, you ………………… the sales account and ……………………. the customers’ account.

**Grammar:** *The simple future*

The simple future is composed of two parts:

Subject + will/shall + infinitive verb (without to)

|  |  |
| --- | --- |
| Affirmative | I will travel next week |
| Negative | You will not lose your job  You won't have to pay for. |
| Interrogative | Will you get his team?  Won't you join them ? |

Contraction : I will = I'll

The form it will is not shortened.

The simple future refers to a time later than now and expresses facts and certainty. Here are cases where we use simple future.

|  |  |
| --- | --- |
| Cases | Examples |
| To predict a future event.  Or to describe the future. | It will rain tomorrow.  He will send us the report once he gets the data. |
| To express a spontaneous decision or a decision made at the moment of speaking. | I will pay for the ticket by credit card. |
| To express willingness or promises. | I will carry your bag for you. |
| To express unwillingness. | I will not leave until she arrives. |
| To make an offer, invitation or a request. To ask for an advice or instructions. | Will you join us ?  Will you come to the appointment with me? |
| To describe the consequence of a conditional phrase. | We won’t mind if you arrive late. |
| To give orders (with you). | You will do everything I want. |

**The use of *shall***

In the past, “shall” was often used as an alternative to “will”, but in modern English we usually prefer ‘will’ for affirmative and negative sentences. However, we still use ‘shall’ to form questions **with ‘I’ and ‘we’**, especially in British English. It is used in just few cases.

|  |  |
| --- | --- |
| To give an offer, suggestion or to make promise. | Shall we go to the park? |
| To express formal obligations. | Applicants shall provide evidence of their qualifications*.* |
| To describe the future very formally. | Access to the city center shall be limited today due to the marathon. |