Introduction to Business Accounting
Chapter 1 - Professional Bookkeeper
Introduction



# Professional Bookkeeper Introduction

In this section of the course you will:

- $\hfill \square$  Learn what the role of a bookkeeper
- □Understand potential careers
- □Become aware of required traits of a bookkeeper
- □Know the employment outlook


## Professional Bookkeeper

- · What is the role of a bookkeeper?
- An individual trained in the field of accounting who creates financial transactions including posting information to accounting journals or accounting software from source documents such as invoices, cash receipts, vendor invoices, and pay entries.
- Reconciles accounts to subsidiary ledgers to ensure their completeness and accuracy.
- · Generates financial reports when required.
- Can work independently for several companies or full time for one company.



#### **Potential Careers**

- An independent bookkeeper with your own business
- · Accounting firm assistant
- · Assistant bank accountant
- · Account information clerk
- · Cost clerk
- · Accounting clerk
- Budget Clerk
- · Finance Clerk
- · Payroll Clerk
- · Audit Clerk



### Professional Bookkeeper Job Functions

Typical job functions include:

- Use bookkeeping software, online spreadsheets, and databases
- Enter (post) financial transactions into the appropriate computer software
- · Receive and record cash, checks, and vouchers
- Put costs and revenue into the software, assigning each to an appropriate account
- Produce reports, such as the trial balance, balance sheet and income statements
- · Check for accuracy in figures, postings, and reports
- · Reconcile or note and report any differences they find in the records
- · Maintain sufficient internal controls
- · Answer questions from management or clients

# Required Traits

Analytical skills	Find an error in the accounts or reconciliations and record the proper adjustment
Computer skills	Bookkeeping, accounting, and auditing clerks need basic computer skills with spreadsheets and accounting software
Detail oriented	These clerks are responsible for producing accurate financial records. They must avoid errors and correct others errors
Integrity	These clerks have control of an organization's financial documentation, which the must use properly and confidentially
Math skills	These clerks deal with numbers daily and should be comfortable with basic arithmetic


## **Employment Outlook**

The Bureau of Labor Statistics presents the following for Bookkeepers

Quick Facts: Bookkeeping, Accounting, and Auditing Clerks					
2012 Median Pay	\$35,170 per year \$16.91 per hour				
Entry-Level Education	High school diploma or equivalent				
Work Experience in a Related Occupation	None				
On-the-job Training	Moderate-term on-the-job training				
Number of Jobs, 2012	1,799,800				
Job Outlook, 2012-22	11% (As fast as average)				
Employment Change, 2012-22	204,600				


# Questions and Answers

#### **Review Questions:**

- True or False: Bookkeeping requires a four year degree.
   A. True
   B. False
- 2. True or False: Integrity is a critical trait for an individual who desires to be a Bookkeeper.
  - A. True
  - B. False
- 3. A Bookkeeper does the following:
  - A. Records transactions in the ledgers
  - B. Runs reports
  - C. Verifies the accuracy of accounts through reconciliations
  - D. All of the above
- 4. Which of these is NOT a possible career of a Bookkeeper?
  - A. Payroll Clerk
  - B. Accounting Clerk
  - C. Warehouse Clerk
  - D. Accounting Firm Assistant
- 5. What is the percentage of job growth a Bookkeeper can expect to occur between 2012 and 2022?
  - A. 11%
  - B. 20%
  - C. 16%
  - D. 7%

#### **Answer Key:**

1. B

False. Bookkeeping requires some basic knowledge and on the job training.

2. A

True. Integrity is a critical trait for anyone working in accounting.

3. D

A Bookkeeper records transactions in the ledgers, runs reports, and verifies the accuracy of accounts through reconciliations.

4. C

Payroll Clerk, Accounting Clerk, and Accounting Firm Assistant are all possible careers for a Bookkeeper.

5. A

The job outlook shows an 11% growth between 2012 and 2022, which is as fast as the average.