

BOOKKEEPING SYSTEM - Small Borrower

19 _____
Year

Name

Street or Post Office Box

City, State, and ZIP Code

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0033. The time required to complete this information collection is estimated to average 100 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

CHECK REGISTER AND CASH DEPOSITS

Illustrations of Various Bookkeeping Entries

Month of Dec. 19 XX

Page No. _____

	Date	Check Number	Description/Payee	CONTROL ACCOUNTS																					
				General			Debt *						Reserve (savings account)												
				DR. Deposit	CR. Disb.	Balance	DR. Deposit	CR. Disb.	Balance	DR. Deposit	CR. Disb.	Balance	DR. Deposit	CR. Disb.	Balance										
			Amount Forward	46,582	-	38,444	-	8,138	-	23,920	-	-		23,920	-				2,420	-			32,813	-	
1	12/1	-	Transfer to Debt Servicee ①			2,175	-	5,963	-	2,175	-			26,095											
2	12/1	489	Transfer to Reserve ②			220	-	5,743	-										220	-					
3	12/2	490	County Wide Electric Co. ③			150	-	5,593	-																
4	12/3	491	Carens Office Supply ③			26	-	5,367	-																
5	12/3	Deposit	Ist National Bank ④	1,750	-			7,317	-																
6	12/7	492	M & M Contracting ③			498	-	6,819	-																
7	12/8	493	U. S. Postmaster ③			50	-	6,769	-																
8	12/12	494	City Wide Trucking ③			63	-	6,706	-																
9	12/12	Deposit	Ist National Bank ④	1,245	-			7,951	-																
10	12/15	495	Rhodes Building Supply ③			22	-	7,929	-																
11	12/21	496	Browns Stationery ③			18	-	7,911	-																
12	12/21	Deposit	Ist National Bank ④	300	-			8,211	-																
13	12/22	497	USDA - Rural Development - RHS ⑤							26,095	-	-0-													
14	12/30	Deposit	Interest earned on saving ⑥																425	-				33,458	-
15	12/30	498	Mary L. Swift ⑦			426	-	7,785	-																
16																									
17			① Transfer for loan payment per loan resolution							⑤															
18			② Monthly transfer to reserve account per loan resolution (check payable to savings account)							⑥															
19			③ Expenses paid							⑦															
20			④ Bank deposits (see Income Record for detail)							⑧															
21																									
22																									
			TOTAL for page/month ⑧	3,295	-	3,648	-	-		2,175	-	26,095	-	-					645	-	-			-	
			TOTAL year to date forward ⑧	49,877	-	42,092	-	7,785	-	26,095	-	26,095	-	-0-					3,065	-	-			33,458	-

* For borrowers making monthly debt service payments, this account is not necessary. Use General Account.

BOOKKEEPING SYSTEM

This bookkeeping system has been designed for small organizations as a method of recording and maintaining accounting transactions and as the source for preparing the required financial reports. Since this system is designed for the small business it contains only the minimum number of transaction schedules. You may wish to supplement these with additional records and forms as may be necessary for your particular operation.

This book, together with any additional records, paid bills, cancelled checks, payroll earnings, bank deposit receipts, etc., should be filed in an orderly manner and stored in a safe place. For most small organizations, the checkbook and bank deposit transaction slips are the prime source for entries into business records.

Record keeping and business aids are also available from the Department of the Treasury (Internal Revenue Service) and the Small Business Administration. Some of these publications are:

IRS Publication 583, "Record Keeping for a Small Business".

SBA Management Series No. 15, "A Handbook of Small Business Finance".

MANAGEMENT AND BOOKKEEPING ASSISTANCE

FREE MANAGEMENT AND BOOKKEEPING ASSISTANCE IS AVAILABLE FROM VARIOUS ORGANIZATIONS. CONTACT YOUR LOCAL DISTRICT DIRECTOR FOR THEIR NAMES.

INSTRUCTIONS

Illustrations and Examples

1. Accounts to be used by your organization must conform to those contained in your Loan Resolution (Form RD 1942-9).
2. Sample entries for various bookkeeping transaction's are included in this booklet, followed by a supply of blank forms. Please note that the sample entries for the "Check Register and Cash Deposit" form are for the accounts contained in the most recent edition of the Loan Resolution. These are: General, Debt and Reserve.
3. For organizations who have signed Loan Resolution forms dated prior to January 29, 1981, the following accounts should be entered on the "Check Register and Cash Deposits" form: Revenue, Debt, Operations & Maintenance, Reserve. All entries affecting these accounts should be made in accordance with the Loan Resolution.

HEADING UP PAGES

Check Register and Cash Deposits Page

1. Enter balances in appropriate "Control Accounts" under "General", "Debt" and Reserve" on the Amount Forward Line. (Borrowers making monthly debt service payments will not need a "Debt" service account. These payments can be made from the "General" account.) During the construction period the "General" account heading may be changed to "Construction" account.
2. For those accounts which are not maintained as separate bank accounts, transfers are made as bookkeeping entries on the "Check Register and Cash Deposits" form. (See item ① in example.) For accounts which are maintained in separate bank accounts, transfers of cash should be made by check (See item ② in example).

NOTE: The Reserve Account should be a separate savings account.

Disbursement Record Page

1. Head up disbursement columns with appropriate categories.
2. Enter balances on next line, "Amount Forward".

Income Record Page

1. Head up columns for types of income received.

BANK DEPOSITS

1. Enter total amount of deposit into appropriate account on "Check Register and Cash Deposit" page.
2. On the "Income Record" detail the types of income included in the total deposit entered in item 1 above, i.e., meter deposits, sales, penalties, membership, etc.

CHECKS WRITTEN

1. Record all checks written in your check book on the "Check Register and Cash Deposits" form. Record each check and make appropriate distribution as shown in example.

SUMMARY OF ACCOUNTS

Year 19XX

	July	Aug.	Sept.	3rd Quarter Total	Total Year to Date	Oct.	Nov.	Dec.	4th Quarter Total	Total Year to Date			
1													
2								3,250 –		46,471 –			
3								–0–		96 –			
4								45 –		670 –			
5								425 –		425 –			
6								3,720 –		47,662 –			
7													
8													
9								–0–		595 –			
10								–0–		417 –			
11								44 –		244 –			
12								498 –		1,573 –			
13								22 –		100 –			
14								150 –		4,723 –			
15								426 –		5,192 –			
16								113 –		513 –			
17								23,217 –		23,217 –			
18								24,470 –		36,574 –			
19													
20	<p><i>This page & facing page are used to summarize income & expense amounts from the "Income Record" & "Disbursement Record" for months, quarters, & year to date. These amounts, together with any adjustments, accruals, etc. can then be transferred to Form RD 442-2 "Statement of Budget, Income & Equity".</i></p>												
21													
22													
23													
24	<p><i>This example shows only amounts for the month of December & year to date as recorded on other pages in this bookkeeping system. Pennies have been omitted.</i></p>												
25													
26													

Total of July — August & September

Total of October — November & December

Totals from "Income Record", month & year to date.

Totals are from "Disbursement Records", month and year to date.

SUMMARY OF ACCOUNTS

Year 19XX

	Accounts	Jan.	Feb.	March	1st Quarter Total	April	May	June	4th Quarter Total	Total Year to Date
1	<i>Income</i>									
2	<i>Sales</i>									
3	<i>Service charges</i>									
4	<i>Penalties</i>									
5	<i>Interest</i>									
6	<i>Total Income</i>									
7										
8	<i>Expense</i>									
9	<i>Chemicals</i>									
10	<i>Insurance</i>									
11	<i>Office supplies</i>									
12	<i>Repairs</i>									
13	<i>Supplies</i>									
14	<i>Utilities</i>									
15	<i>Salaries</i>									
16	<i>Miscellaneous</i>									
17	<i>Interest note: do not include principal</i>									
18	<i>Total Expense</i>									
19										
20										
21										
22										
23										
24										
25										
26										

• Head up monthly column.
 • List accounts from "Income Record" & "Disbursement Record".

• Summarize by Quarter.

Total of January — February & March

Total of April — May & June

Total of First & Second Quarter Columns

INCOME RECORD

Month of December 19 XX

Page No. _____

		Types of Income																		
	Date	Total Deposits		Sales		Service Charges		Penalties		Reserve Account Interest										
	Amount Fwd.	43,942	-	43,221	-	96	-	625	-	-0-										
1	12-3	1,750	-	1,725	-			25	-											
2	12-12	1,245	-	1,225	-			20	-											
3	12-21	300	-	300	-															
4	12-30	425	-							425	-									
5																				
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22																				
	Monthly-Page TOTALS	3,720	-	3,250	-	-0-		45	-	425	-									
	Year To Date TOTAL-FWD	47,662	-	46,471	-	96	-	670	-	425	-									

- Amounts forward
- Total daily deposits by type of income
- Total amount agrees by day with posting to Revenue and/or Reserve Account in "Check Register & Cash Deposits" Form.
- Monthly & year to date totals.

DISBURSEMENT RECORD

Month of December 19 XX

Page No. _____

#	Chemicals	Insurance	Office Supplies	Repairs	Supplies	Utilities	Salaries	Misc.	USDA, RHS Interest	USDA, RHS Principal	Total
	595 -	417 -	200 -	1,075 -	78 -	4,573 -	4,766 -	400 -	-0-	-0-	
1											
2											
3						150 -					
4			26 -								
5											
6				498 -							
7								50 -			
8								63 -			
9											
10					22 -						
11			18 -								
12											
13									23,217 -	2,878 -	
14											
15							426 -				
16											
17											
18											
19											
20											
21											
22											
	—	—	44 -	498 -	22 -	150 -	426 -	113 -	23,217 -	2,878 -	
	595 -	417 -	244 -	1,573 -	100 -	4,723 -	5,192 -	513 -	23,217 -	2,878 -	

- enter headings
- Amounts forward
- Year to Date Forward totals are the sum of Amount Forward plus Page/Month total

• record distribution of checks written on facing page.

• monthly & year to date totals equal the totals for disbursements from the General & Debt Accounts less cash transfers from the General Account.

