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Q 2. HIGHLIGHT ANY FOUR DIFFERENCES BETWEEN JOURNALS AND LEDGERS.

S/ N	BASIS FOR COMPARISON	JOURNAL	LEDGER
1.	Meaning	Journal is a book of account where all records of business transaction are first recorded in a chronological order. i.e in the order of dates	It is an accounting book in which all transactions related to a particular person or thing are maintained in a summarized form.
2.	Sub-divisions	It may be subdivided into a cash book, sales day book, sales return day book, purchase return day book, purchases day book, petty cash book.	It may be sub-divided into General Ledger, debtors/sales ledger, creditors/purchases ledger.
3.	What it is	It is prepared out of transaction proofs such as vouchers, receipts bills, etc. therefore it is a book of original entry.	It is prepared with the help of a journal itself therefore it is the immediate step after recording in a journal. Therefore it is known as the book of final entry.
4.	balancing	A journal is not balanced	Except nominal accounts, all ledger accounts are balance to find the net result.