

## THE GENERAL JOURNAL

The function of the general journal is to record all transactions that cannot be recorded in the special journals. It is used to record the following transactions:

- **Opening entry**
- **Purchase and sale of fixed assets on account**
- **Other transactions such as drawings, additional capital by the owner, services charged**
- **Closing entry**
- **Year-end adjustments**
- **Correction of errors**

Format of a general journal:

Date	Particulars	Folio	Debit	Credit

1. Transactions are entered in the journal in chronological order.
2. The particulars column records the names of the accounts.
3. The debit column shows the amounts to be debited.
4. The credit column shows the amount to be credited.

It is common practice to enter the accounts to be debited first, followed by the accounts to be credited. The credit entry is indented.

This is followed by a brief explanation of the transaction called a **narration**.

**The transactions entered in the general journal are of varied nature; hence the source documents used are also varied.**