

LEDGER: Ledger is derived from a Dutch word “legger “ which means to lye. Ledger therefore means a book where various account lye or kept. In ledger accounts of same nature is grouped together and are kept in one place in the form of account. It is an analytical record of various transactions. Ledger is balanced at the end of the given period.

POSTING: Transfer of entries from the journal to the ledger is called posting.

DIFFERENCES BETWEEN JOURNAL AND LEDGER:

JOURNAL

1. Journal is the book of original entry
2. Journal is the book of daily record.
3. Journal is chronological order
4. Journal is totaled
5. Narration is written in journal
6. Ledger folio is written in journal

LEDGER

1. Ledger is the secondary books of entry
2. Posting from journal to ledger is done Periodically.
3. Ledger is analytical order.
4. Ledger is balanced.
5. No narration is written in ledger.
6. Journal folio is written in ledger.