Double-entry bookkeeping

Whilst it is not necessary to understand the principles of double-entry bookkeeping to enter accounting entries into Gestan and have them posted correctly, the principle is outlined below for those who wish to understand how it works in detail.

The concept

Double-entry bookkeeping is the basic principle of the accounting system used by most businesses and organisations.



The concept is attributed to Luca Pacioli, or Luca di Borgo, a Franciscan monk and brilliant mathematician who lived in Tuscany and who, in 1494, published the first work detailing its principles.

It is based on the idea that every economic event can be expressed as two opposing flows in two accounts: one representing actual flows, the other financial flows.

An account is represented as a two-column table in which transactions are recorded: conventionally, debits (from the Latin ‘debet’: ‘he owes’) are entered on the left and credits (from the Latin ‘credet’: ‘he will believe’) on the right. Expense and asset accounts increase on the left-hand side (debit); income and liability accounts increase on the right-hand side (credit).

In ‘ Gestan ’, the user simply needs to record the economic events: the software automatically records the transactions in the correct direction.

When a sale takes place, the reference document is the invoice. This results in at least two journal entries (excluding VAT):

- one in the account for the sale of goods, services or merchandise;
- the offsetting entry in a customer account.

When settling an invoice, the reference document is the one that confirms payment: a cheque, a bank transfer, a till receipt, etc. The two transactions are recorded in:

- the customer account;
- the corresponding entry in the cash account (bank or till).

En Find out more...

There’s nothing better than a few practical examples to help you understand – or at least try to understand…

Recording an invoice and its payment

VAT on debits

Under the VAT on debits scheme, VAT is payable at the time of invoicing.

Let’s say you issue an invoice for 100 (excl. VAT) for labour and 200 (excl. VAT) for carrots, with a VAT rate of 20 per cent, which your customer has paid.

For the invoice, we will record:

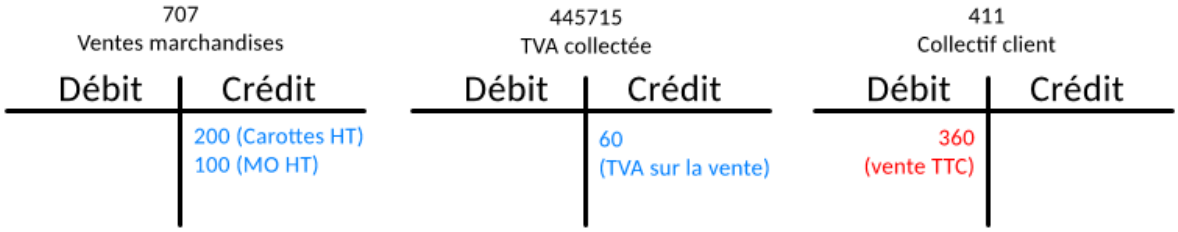
- the pre-tax amounts of the sale as a credit to the sales account (as the invoiced sum will increase your credit balance)
- the total VAT amount as a credit to the VAT collected account (as the account is immediately credited)
- the total amount including VAT as a debit to the customer account (as the customer owes you money)

And for the payment, we will record:

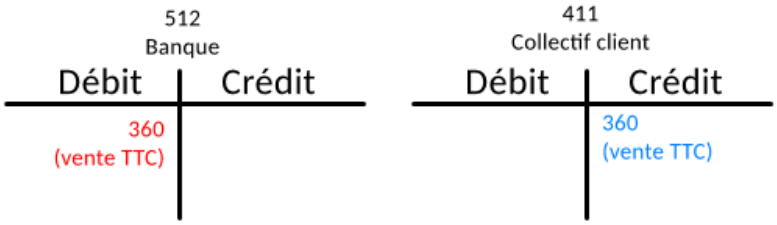
- the total amount including VAT as a debit to the bank account into which the sum will be paid
- the total amount including VAT as a credit to the customer account (as your customer has increased their credit balance with you)

This transaction will be recorded as follows:

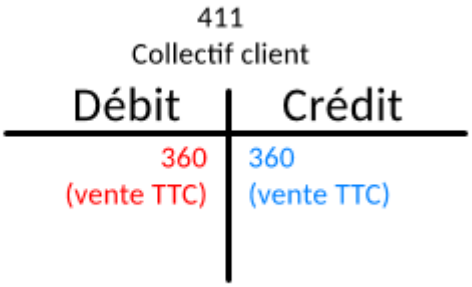
La vente :



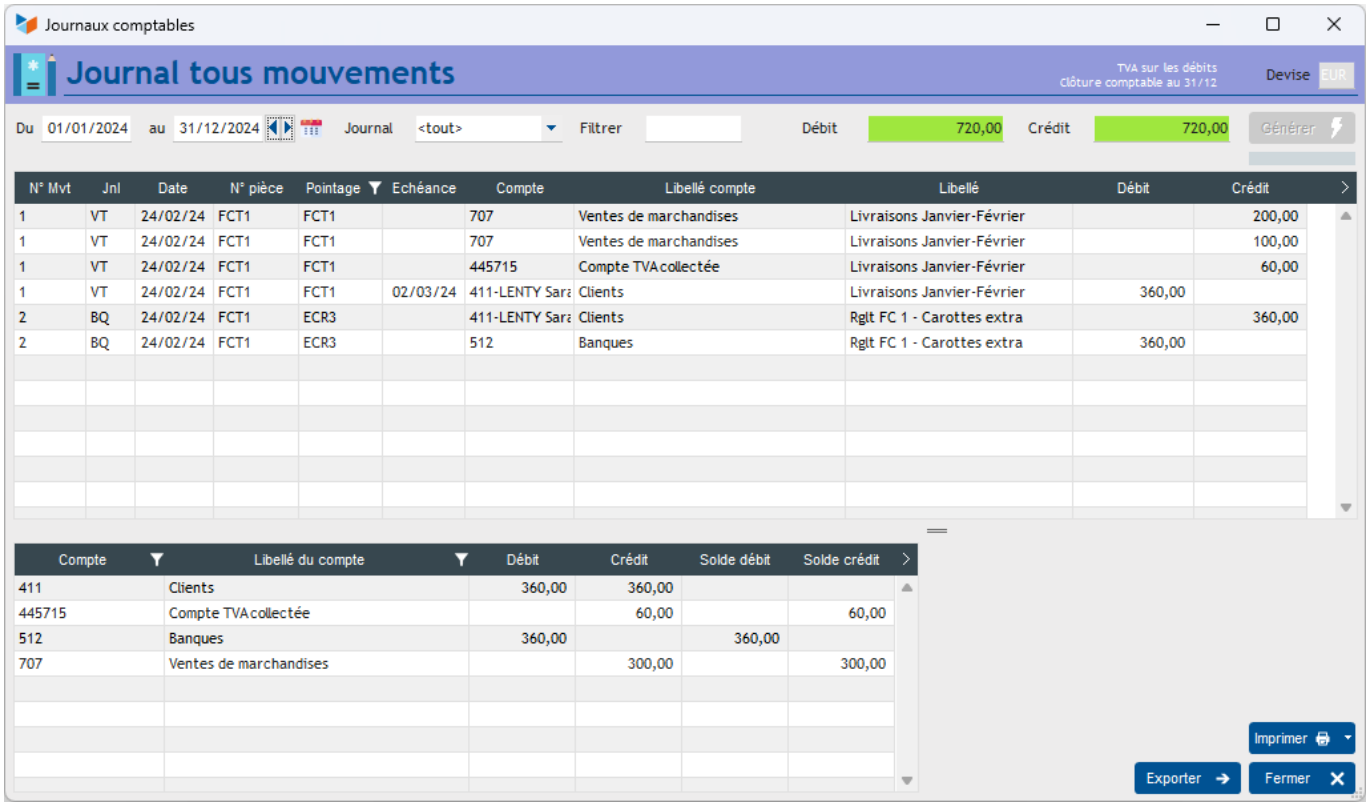
Le règlement :



Once the payment has been made, the customer account is therefore balanced:



The entry is recorded in the journal, which presents it as follows:



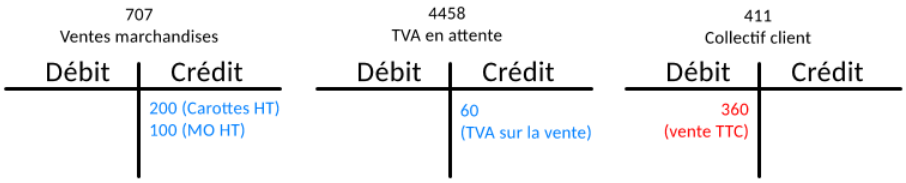
VAT on receipt

Under the cash accounting scheme, VAT becomes chargeable when the invoice is received. We will therefore need an additional account: the VAT suspense account.

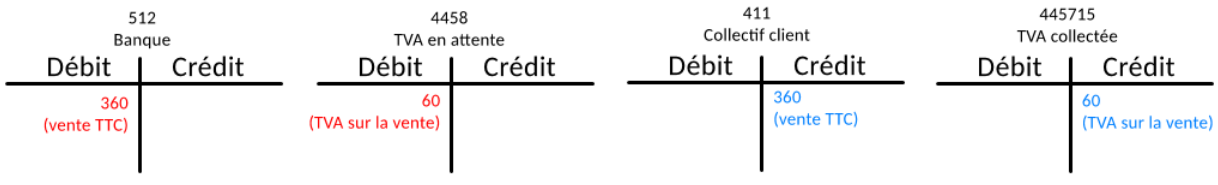
For the same invoice, the VAT is no longer posted to the VAT collected account, as it is not due at the time the invoice is issued, but is instead posted to the VAT suspense account.

And upon payment, the VAT portion first clears the VAT suspense account, which was credited when the invoice was issued, and is then credited to the VAT collected account.

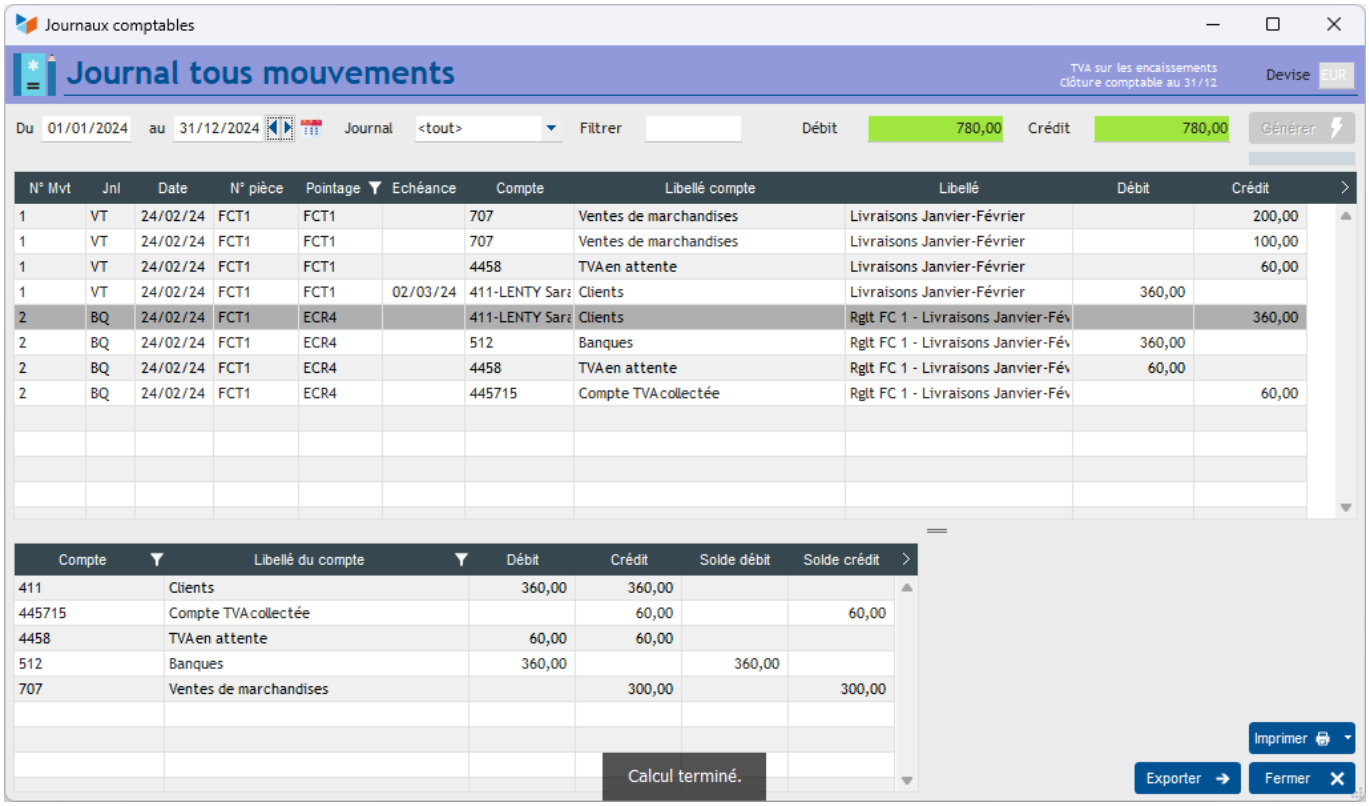
La vente :



Le règlement :



The accounting journal would record this as follows:



Other ‘Accounting’ articles

Affectations comptables automatiques
Arrêtés de TVA
Balance
Balance tiers
Calcul de la TVA
Certification des logiciels de caisse
Clôture comptable / Exercices comptables
Comptabilisation des DEEE
Comptabilisation des écritures
Comptabilité avec Gestan : principes de base
Comptabilité en partie double
Compte bancaire et de caisse
Compte de résultat
Créances irrécouvrables
Encaissements/Décaissements
Export CFONB
Export SEPA
Export XIMPORT des données comptables
Facturation par taux de taxe
Grand Livre
Immobilisations
Imputations comptables
Journal
Journaux comptables (codes)

Lettrage
Liaisons comptables
Liaisons en masse : écritures
Micro-Entreprise / Auto-Entreprise
OD (opérations diverses)
Options des documents comptables
Paramétrage comptabilité
Pièces sans imputation
Plan comptable
Pointage TVA
Produits et Charges
Rapprochement bancaire
Relevés de compte bancaire
Remise de chèques
Revue des écritures
Soldes de gestion
Taux de TVA
Ticket Z
Trésorerie prévisionnelle *
Trésorerie simplifiée
Ventilation des factures par échéances
Ventilation des écritures
Ventilation détaillée par taux de taxe

From:
https://manuel.gestan.fr/ - **Le manuel de Gestan**

Permanent link:
https://manuel.gestan.fr/en/wiki/compta/partiedouble

Last update: **2026/10/23 14:40**