

# What is the difference between a Bookkeeper and an Accountant?

In private business, I was often introduced as the Bookkeeper, even though I had a college degree and had held high level finance positions in several companies.

Accountant and Bookkeeper are many times used interchangeably. Generally, a Bookkeeper is a person *without* a degree in accounting who performs much of the data entry tasks. This includes entering the bills from vendors, paying bills, processing payroll data, preparing sales invoices, mailing statements to customers, etc.

The Accountant is likely to have a college degree with a major in accounting and takes over where the Bookkeeper leaves off. The Accountant will prepare additional entries to record expenses that occurred but are not yet entered by the Bookkeeper. (Examples include interest on bank loans since the last loan payment, wages earned by employees that will be processed next week, depreciation, etc.) The Accountant also assists the company's management to understand the financial impact of its past and future decisions.

Most of the Bookkeepers I know are highly trained, with many years of experience. If you are running a small business, and you are not doing the books yourself, you are wise to hire an outside Bookkeeper at either an hourly or flat monthly rate. This allows you to focus on growing the business.

Mike Lawrence

Owner/Manager

Apple Bookkeeping Services