

## Chart of Difference between Journal and Ledger

Basis of Difference	Journal	Ledger
Meaning	<b>Journal in Accounting</b> is the process of analyzing and recording of business transactions in chronological (day to day) order.	Ledger is a book of account in which we kept all the transactions of a particular account separately
Type	it is the subsidiary book	It is the final book of account.
Order of Recording	In the journal, all transactions are recorded in chronological (day to day) order. <span style="float: right;">Tutor's Tips.com</span>	In the Ledger, the transactions related to a single account (Cash, Bank etc.) are recorded in chronological (day to day) order in a particular ledger account.
Name of Process	Journalizing	Posting from journal to ledger
Format	In the format of the journal, debit and credit are two different columns.	In the format of the Ledger, debit and credit are two different sides of an account.
Nature of Account	All transactions are recorded in the same book called journal.	All transactions are posted in the particular ledger account according to the nature of an account.
Balance	It is very difficult to know the balance of a particular account.	The ledger is prepared to know the balance of a particular account.
Narrations	Journal contains a narration for every transaction	Ledger may or may not contain a narration of every transaction.
Also known as	The book of prime or original entry book	The book of second entry and statement of account.
Process of Balancing	It does not include the process of balancing.	It includes the process of balancing or closing of a ledger account.
Financial Statement	We can not prepare financial statement directly from the journal	We can prepare financial statement directly from the ledger but not so easy for larger businesses.
Revenue	The Journal not providing any information about the total revenue earned during the year.	In ledger, we can get know about the revenue earned during the year from the total Sales accounts.
Closing Balances of the Assets	It is very difficult to know the closing balance of the assets at the end of a particular accounting period.	It is very easy to know the closing balance of the assets at the end of a particular accounting period.
Folio	Journal contains a ledger folio column.	Ledger contains a journal folio column.
Total Columns	Journal contains a total of five columns	Ledger contains a total of eight columns.
Sides	It does not have any side	It has two sides i.e. debit and credit side.