

Laboratory-Accounting (PART 2)

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INTRODUCTION

We are to handle stock control and record keeping in this part two. The first is to record your activities the correct way and the second is to compile the final accounts for the records. We shall proceed to ask and answer question. See below

Question

1. Distinguish between stock control and record keeping.
2. State the stages in keeping laboratory accounts and the importance
3. Solve the following

Initial capital	5000
Building and land	2000
Depreciation	300
Current liabilities	2000
Kits	500
Debtors	200
Good will	50

Draw the balance sheet.

Answer

1. Distinguish between stock control and record keeping
 - Stock control also known as inventory is used to show how much stock you have at any given time both on the shelves and in the stock room, also how recording

happens. Stock control enables the business to have what it needs, when it is needed in order to do business.

- Record keeping is a systematic procedure of keeping right records or putting documents in files for the purpose of maintaining history of activity such as financial dealings by entering data into ledgers or journals, which will help to monitor the progress of a business, prepare financial statement, identify source of receipt, keep track of deductible expense, prepare tax returns, support items reported on tax returns and to give employees proper slips.

Differences between stock control and record keeping

Stock control	Record keeping
1. Stock control involves taking stock of business assets, such as labor, cash and material items used or sold	Record keeping documents the history of activities, prepares financial statement both for gain and loss making.
2. Stock control involves careful planning to ensure that the business has sufficient stock of the right quality available at the right time.	Record keeping involves daily record of business financial transaction by entering data in ledgers, documents, putting documents into files.
3. Factors considered include energy costs, location, labour and transportation	Factors considered include maintenance of complete, consistent, concise documentation and lost effective.
4. In stock control, the stock control department works closely with the purchasing and marketing department to provide sales forecast for the coming week.	In record keeping, the employees' records are private and confidential. Generally only the payroll staff, employer and the employee access the records.
5. Stock control is for business purposes ensuring that accurate capital are spent on necessary items needed.	Record keeping is mainly for audit and reference purposes.
6. Stock control cannot be used to detect profit or loss incurred while running a	Record keeping is easily used to detect profit or loss in a business

business.	
7. The benefit of stock control include - Analyzing the stock turnover - Costs of holding stock - Different ordering method	The benefit of record keeping include - To determine the profitability of the business by keeping record so that profit or loss can be easily detected.
8. Stock include - Raw materials and component from supplier - Consumables and materials used by service business - Finished goods ready to be dispatched to customers.	Record keeping include - Documents such as bills, receipts, invoices, bank statement, cheque stub.
9. Stock control consumers less time	Record keeping consumes a lot of time; it forms a daily routine work for an employee.
10. The primary function is to use marketing and production to increase profitability, to get the maximum amount for the business investment, it also helps in balancing supply and demands, improving efficiency, establishing a save stock and geographical specialization in order to increase the business profitability	The primary function is to prepare financial statement. Identify source of receipts, keep track of deducible expenses, monitor progress of business, prepare tax returns and support items reported on tax returns, to clearly show income and expenses. These records are kept for the purpose of history.

2. State the stages in keeping laboratory accounts and the importance

There are two stages in keeping laboratory accounts

- i. Record keeping
- ii. Compiling the final accounts.

Importance of keeping laboratory accounts

1. Laboratory accounts help to pin down error to a particular point i.e. localization of errors.
2. Laboratory account provides a sales forecast for the coming week
3. Good record keeping enables taxes to be paid with little effort.
4. Lab account receives the laboratory stock so that capital can be spent accurately in the purchase of items that are necessary.
5. Accounts help the laboratory to plan its budget.
6. Laboratory account helps to address the problem associated with overstocking or stock-out.
7. It is a guideline for the staff to recall the information or transaction made in the past.
8. It facilitates the production of financial statement.
9. It helps in reference and audit purpose.
10. It is used to determine some vital information like credit sales and credit purchase.
11. Laboratory account helps to regulate profit or loss annually, monthly or weekly as the case may be.
12. Laboratory account will help to determine at a glance the total value of the debtors/creditors balance, the receipts, the discount allowed or received, the amount of bad debts etc.
13. It helps to monitor the progress of the laboratory
14. It helps to determine assets and liability of the business.
15. It enables efficient management of the laboratory and to control its financial resources.

3. Solve the following

Initial capital	5000
Building and land	2000
Depreciation	500

Current liabilities	2000
Kits	500
Debtors	200
Cash/bank	1500
Good/will	50

Draw the balance sheet at 30th Dec. 2010.

Solution:

Balance sheet	
Liabilities	Assets
Owner's equity/owner's capital:	Fixed assets
Initial capital 5000	Building and land 2000
Current liability 2000	Current assets
Closing variation	Closing variation
Depreciation 300	Kits 500
	Debtors 200
	Cash/bank 1500
	Good will 50
Total liability 7300	Total current asset ₦2,250
	balance <u>3050</u>
	7300

Record Keeping in the Medical Laboratory at Abakaliki

(Using March 2012 as Case Study)

Record-keeping can be referred to as the measure taken daily in the laboratory to keep records and this involve the systematic method of arranging all the activities done in laboratory on daily basis. Some of the items that can be used to achieve these include:

- Laboratory register.
- Request form.
- Laboratory notebook.

For record keeping to be attained, the data must be carefully collected. It must be reported in such a way that other scientists in the laboratory who wish to go through the documents will have access to it. There are several reasons why scientists keep records in the laboratory and these reasons include:

- It serves as a reference point especially when a particular patient's health condition is made referred to.
- It speeds up work, makes progress to be achieved, and makes work to be done orderly since data is properly kept.
- Record keeping when properly taken, can be accessible only and preferably to the scientists in the same laboratory and this is done to avoid duplication of data.
- Record keeping also prevent repetition of procedures and a lot more.

How a Scientist Keep Record in a Microbiology Laboratory

In a microbiology laboratory, the laboratory must be kept extremely clean and kept sterile to work in before and after work. There are mainly three (3) procedures done in this type of laboratory and they are:

1. Microscopy.
2. Culture.
3. Sensitivity.

These procedures are carried out by a microbiologist, in a microbiology laboratory.

For record keeping to be efficiently kept by a microbiologist in the laboratory, there are certain things the scientists must consider and these include:

The scientists checks to ensure

- Name of the patient
- The date.
- Age and sex of the patient.
- Name of the sample collected.
- The type of the container and the labelling on the container, must match also.
- The reagents in the laboratory must be kept.

Below are the details of the test done on 843 students as at March 2012 in Ebonyi State University Research Diagnostics.

Urine analysis

pH 5.0 – 38 students

5.5- 5 "

6.0- 258 "

6.5- 206 "

7.0- 278 "

8.0- 51 "

9.0- 7 "

Macroscopy

- Protein +ve = 6 students.
- Protein trace = 2 students.
- Glucose trace = Nil
- Ketone = 4 students.
- Ascorbic acid = 12 students.
- Bilirubin = 1 student.
- Blood = 5 students.

Appearance

- Pale yellow & clear = 250 students
- Pale yellow & cloudy = 70 students
- Amber & clear = 369 students
- Amber & cloudy = 66 students
- Deep amber & cloudy = 67 students
- Deep amber = 23 students

Microscopy

- Epithelial cell = 57 students
- WBC 0-hpt = 66 students

- WBC 1-2hpt = 54 students
- WBC 2-3hpt = 44 students
- Many WBC = 20 students
- RBC = 14 students
- Granular cast = 13 students
- Yeast = Nil

Stool Analysis (20 stool samples)

- For 14 stool samples, the sample was brown and formed = Cyst of Entamoeba histolytica was found.
- For 6 stool samples, the sample was black= indicating FOB (Faecal Occult Blood).

In conclusion, record keeping, help the scientists keep accurate and orderly record of his/her patients, the disease condition, and if possible, the accurate treatment to be carried out on such patients.

References

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