## **ACCOUNTING BASICS**

# **Covers Accounting 110 and 201 Quick Reference Guide**

#### **Assets**

#### Liabilities

### things I get to call my own

cash debit credit normal balance incr decr

other asset accts:

a/r eq supplies trucks vans buses office furniture

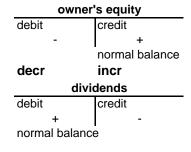
example of a transaction

bills I have to pay				
accounts payable				
debit	credit			
-	+			
	normal balance			
decr	incr			
other liab accts: notes payable mortgage payable interest payable salaries payable				

rec. and paid electric bill \$87.00

cash		exp	enses		
debit	credit	debit		credit	
+	-		+		-
	87.00		87.00		
utilities expense			87.00		
	cash				87.00
got the bill, but did not pay utilities exp			87.00		
	accts paya	ble			87.00

### Stockholder's Equity



drawing				
debit	credit			
+	-			
normal balance				

what I take out of my business for my own use

revenue				
debit	credit			
-	+			
	normal balance			
decr	incr			

some examples of names: income from services professional fees concession income

expenses		
debit	credit	
+	-	
normal balance		
incr	decr	

examples of other expenses:

rent salaries utilities supplies insurance advertising