

ACCOUNTING BASICS

Covers Accounting 110 and 201

Quick Reference Guide

Assets

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
rec. and paid electric bill \$87.00

cash		expenses	
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 payable		87.00

Liabilities

bills I have to pay

accounts payable	
debit	credit
-	+
normal balance	
decr	incr

other liab accts:

- notes payable
- mortgage payable
- interest payable
- salaries payable

Stockholder's Equity

owner's equity

debit	credit
-	+
normal balance	
decr	incr

dividends

debit	credit
+	-
normal balance	

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