

Chapter 2: Analyzing Transactions into Debits and Credits

Vocabulary:

- Revenue
- Sale on account
- Expense
- Withdrawals
- T account
- debit
- credit
- normal balance
- chart of accounts
- accounts payable
- accounts receivable

Objectives:

The students will be able to:

- ✓ L01 Show the relationship between the accounting equation and a T account.
- ✓ L02 Identify the debit and credit side, the increase and decrease side, and the balance side of various accounts.
- ✓ L03 Restate and apply the two rules that are associated with the increase side of an account.
- ✓ L04 Restate and apply the four questions necessary to analyze transactions for starting a business into debit and credit parts.
- ✓ L05 Analyze transactions for operating a business into debit and credit parts.

Competencies:

6320: Accounting

- 1: Demonstrate positive work ethic
- 10: Demonstrate critical-thinking and problem-solving skills.
- 35: Demonstrate the effects of transactions on the accounting equation.
- 40: Analyze transactions through the use of T accounts.
- 53: Maintain financial records for a service business, using accounting software.**

