## A BRIEF REVIEW OF DEBITS \& CREDITS

## Identifying Accounts and Debits \& Credits

For each of the business transactions below, identify the accounts involved and whether each will be a debit or credit.

| $\mathbf{1 1 / 0 3}$ Owner made an investment of $\$ \mathbf{2 0 , 0 0 0}$ in business. |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| What is the Asset Account? | Does it Increase or Decrease? | Debit or Credit? |  |  |
| What is the Other Account? |  |  |  | Debit or Credit? |

## 11/08 Paid wages expense of $\$ 1,000$.

| What is the Asset Account? | Does it Increase or Decrease? |
| :---: | :---: |
| What is the Other Account? | Debit or Credit? |

11/12 Purchased $\$ 6,000$ of equipment on account.

| What is the Asset Account? | Does it Increase or Decrease? |
| :---: | :--- |
| What is the Other Account? | Debit or Credit? |

11/20 Earned fees of \$12,000 in cash from customers.

| What is the Asset Account? | Does it Increase or Decrease? |
| :---: | :---: |
| What is the Other Account? | Debit or Credit? |

11/30 Owner withdrew \$3,500 from business.

| What is the Asset Account? | Does it Increase or Decrease? | Debit or Credit? |
| :---: | :---: | :---: |
| What is the Other Account? | Debit or Credit? |  |

## Normal Balances

Indicate whether each of the following accounts has a DEBIT or CREDIT normal balance.
$\qquad$ 1. Cash $\qquad$ 4. Equipment $\qquad$ 7. Fees Earned
$\qquad$ 2. Accounts Payable $\qquad$ 5. Supplies $\qquad$ 8. Accounts Receivable
$\qquad$ 3. Capital $\qquad$ 6. Supplies Expense
$\qquad$ 9. Utilities Expense

## What Side?

How can you tell which side of a T-Account is a debit or credit? (note: this is a trick question)

