

Chapter 6 Outline

Origins of Bookkeeping
21st Century Bookkeeping
 Double-Entry Accounting
Bookkeeping Accounts
 Account Balance
 Computer Processing of Accounts
 General Ledger
Learning Debits and Credits
 Methods of Learning Debits and Credits
Analyzing Business Transactions
Analyzing 21 Universal Transactions
The Nature of Debits and Credits
 Equality of Debits and Credits
 Computer Audit Trail
 Debit and Credit Rules
Recording 21 Universal Transactions
Contra Accounts
Normal Account Balance

Competencies

1. Define and describe bookkeeping and double-entry accounting, and identify common bookkeeping accounts and tools. (pp. 141–145)
2. Describe learning debits and credits, and use three basic questions to analyze business transactions. (pp. 146–154)
3. Define debits and credits and use them to record business transactions. (pp. 154–162)
4. Define contra accounts, identify common contra accounts, and explain how these accounts are used. (pp. 163–164)
5. Identify the normal account balances for each account classification. (pp. 164–165)