



INDEPENDENT STATE UNIVERSITY

SCHOOL OF BUSINESS

DEPARTMENT OF ACCOUNTING

ACCOUNTING 101

Name: _____
 Section: _____
 Date: _____

1. Define the term "Accounting".
2. Explain the importance of accounting.
3. List the different types of accounting.
4. Define the term "Accounting cycle".
5. Explain the steps of the accounting cycle.
6. Define the term "Journal".
7. Explain the purpose of a journal.
8. Define the term "Ledger".
9. Explain the purpose of a ledger.
10. Define the term "Trial Balance".
11. Explain the purpose of a trial balance.
12. Define the term "Income Statement".
13. Explain the purpose of an income statement.
14. Define the term "Balance Sheet".
15. Explain the purpose of a balance sheet.

Account	Debit	Credit
1. Cash		
2. Accounts Receivable		
3. Inventory		
4. Prepaid Insurance		
5. Equipment		
6. Accumulated Depreciation		
7. Accounts Payable		
8. Notes Payable		
9. Long-Term Debt		
10. Common Stock		
11. Retained Earnings		
12. Dividends		
13. Sales		
14. Cost of Sales		
15. Selling Expenses		
16. Administrative Expenses		
17. Interest Expense		
18. Income Tax Expense		
19. Net Income		
20. Total		

Check your work carefully. The total debits must equal the total credits. If they do not, you have made a mistake. Double-check your calculations and the accuracy of your entries.

