



STUDENT SUCCESS
CENTER

Accounting - Journal Entries Overview

Remember A.L.O.R.E.

Debits = Credits for every journal entry.

	Debit	Credit
Asset	+	-
Liability	-	+
Owner's/Stockholder Equity	-	+
Revenue	-	+
Expenses	+	-

Basic Entries

Buying Items (e.g. supplies, land, etc.)

Items

Cash

Doing Job for Advance Payment

Unearned Revenue

Revenue

Buying Items on Account

Items

Accounts Payable

Recording Depreciation

Depreciation Expense

Accumulated Depreciation

Paying off Items bought on Accounts

Accounts Payable

Cash

Invoicing Client

Accounts Receivables

Fees Earned

Using Items (e.g. supplies)

Supplies Expense

Supplies

Client pay Invoice

Cash

Accounts Receivables

Paying Dividends

Dividends

Cash

Closing Entries

Moving Revenue to Income Summary

Revenue (Sales, Rents etc.)

Income Summary

Adjusting Entries

Prepaid Expense (e.g. rent, insurance etc.)

Prepaid

Cash

Closing Expenses

Income Summary

all Expenses

Using Prepaid

Expense

Cash

Moving Income to Retained Earnings

Income Summary

Retained Earnings

Client Pays Fees in Advance

Cash

Unearned Revenue

Removing Dividends

Retained Earnings

Dividends