

# Accounting Equation, Classification of Accounts, Balance Side of Accounts, Increase/Decrease

**Basic Accounting Equation: Assets = Liabilities + Owner's Equity (ALOE)**

**ALOE accounts = Permanent OR Open OR Balance Sheet OR Real accounts- Appear on PCTB**

ASSETS (100's) =	LIABILITIES (200's) +	OWNER'S EQUITY (300's)												
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Temporary Capital Accounts: REDC (Revenue, Expenses, Drawing, Cost of Goods Sold)  
REDC accounts = Temporary OR Closed OR Income Statement OR Nominal accounts-Are NOT on

## OWNER'S EQUITY

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To Remember Balance Sides:

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