**Definitions**

Assets are items of value owned by a business

Liabilities are amounts of money owed by the business

Owner’s Equity is the owner’s investment in the business

Expenses are the costs of the business

Revenue is income earned by the business

**Natures**

Assets have a debit nature

Liabilities have a credit nature

Owner’s Equity has a credit nature

Expenses have a debit nature

Revenues have a credit nature

**Rules**

Increases in debits are debit

Decreases in debits are credit

Increases in credits are credit

Decreases in credits are debit