
Vocab Ch. 2

Increase in owner's
equity resulting from
the operation of a
business

revenue

Sale for which cash will
be received at a later
date

sale on account

Decrease in owner's
equity resulting from
the operation of a
business

expense

Assets taken out of a
business for the
owner's personal use

withdrawals

Concept applied when
revenue is recorded at
the time goods or
services are sold

realization of revenue
