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DEPARTMENT: ACCOUNTING AND FINANCE

COURSE OPTION: B.Sc ACCOUNTING

COURSE CODE: ACC101

Cash account: A cash account is a regular brokerage account in which the customer is required by Regulation T to pay for securities within two days of when a purchase is made. It records all amounts paid or received in cash in arrangement for the payment by customers.

Real accounts: is a general ledger account that does close at the end of the accounting year but carried over to the next year. It is also called permanent account. All assets of a firm which are tangible or intangible falls under the category of real accounts. Its golden rule is; debit what comes in, credit what goes out.

Personal accounts: these accounts are related to individual firms, companies etc. a few examples of personal accounts includes debtors, creditors, banks outstanding, capital etc. its golden rule is; to debit the receiver and credit the giver.

Nominal accounts: accounts which are related to expenses, losses, income or gains are called nominal accounts. They do not really exist in physical form but behind every nominal accounts, money is involved. E.g purchase accounts, salary accounts, sales accounts etc. its golden rule is; debit expenses and losses, and credit income and gains.