

## The Six-Column Work Sheet

### Objectives:

1. Explain the purpose of a worksheet
2. Describe the parts of a six-column work sheet
3. Prepare a six-column work sheet
4. Calculate net income and net loss
5. Define the accounting terms introduced in this chapter

### Accounting Terms

1. Work Sheet
2. Ruling
3. Matching principle
4. Net Income
5. Net Loss

### Section 1: Preparing the Work Sheet

- The work sheet organizes general ledger accounting information for the financial statements
  - The work sheet is a tool to complete the final steps of the accounting cycle
- A. The **Sixth Step** of the Accounting cycle: **The Work Sheet**
1. Work Sheet – a working paper used to collect information from the ledger accounts in one place
- B. The Work Sheet Sections
1. The work sheet has five sections
    - a. Heading
    - b. Account Name Section
    - c. Trial Balance Section
    - d. Income Statement Section
    - e. Balance Sheet Section