

Accounting II

LAP 6 – Property, Plant and Equipment Assets and Intangible Assets Mini Practice Set - Touch of Country Gifts



Name _____

Period _____

Date Started _____

Date Completed _____

DoDEA Standards

- ◆ **PT1b** Use accounting procedures for planning, organizing, and allocating resources
- ◆ **PT1f** Be proficient in the use of technology
- ◆ **PT1h** Apply trouble shooting techniques and processes
- ◆ **PT3d** Use technology tools and resources for managing and communicating personal/professional information, e.g., finances, schedules, addresses, purchases, and correspondence
- ◆ **PT4** Use information-gathering techniques, analyze and evaluate information, and use information technology to assist in collecting, analyzing, organizing, and presenting information

Objectives

- ◆ Identify property, plant, and equipment assets.
- ◆ Record the initial cost of property, plant and equipment assets.
- ◆ Calculate the annual depreciation expense using four methods.
- ◆ Calculate depreciation for a partial year.
- ◆ Determine the book value of a plant asset.
- ◆ Journalize the adjusting entry for depreciation.
- ◆ Record disposal of a plant asset.
- ◆ Define the accounting terms introduced in this chapter.

Resources Accounting-Real World Applications & Connections – Advanced Course
Chapter Reviews and Working Papers (Accounting Workbook)
CD ROM – Electronic Learning Center Student Package

Time Frame 7 hours **without** Mini Practice Set – 10 hours **with** Mini Practice Set

Introduction

In chapter 6 you are introduced to accounting for property, plant, and equipment assets. You will learn how to record the initial cost of such long-lived assets as equipment, buildings, and land. You calculate annual depreciation on plant assets by four depreciation methods. You will also learn how to account for the disposal of plant assets and how to record depreciation expense. Finally, there is a brief discussion of intangible assets as organization costs, goodwill, copyrights, and trademarks.

Assignments

Where appropriate and possible, written answers must be in complete sentences and keyed. Turn in completed activities as directed by instructor. Problems marked with an asterisk (*) can be completed in three different ways: manually, Peachtree for Windows (CD ROM), or Glencoe Integrated Accounting. Ask your instructor for directions. If you are going to complete the problems electronically, you must read the pages titled Computerized Accounting Using Peachtree in every chapter of the Working Papers.

_____ Read Property, Plant, and Equipment Assets and Intangible Assets, pp. 168-169

- _____ Read Section 1, Determining Costs and Depreciation of Plant Assets pp. 170-173
- _____ Complete the following exercises on p. 174: Thinking Critically, Computing in the Business World and Problems 6-1 and 6-2 using appropriate working papers
- _____ Read Section 2, Calculating and Recording Depreciation, pp. 175-181
- _____ Complete the following exercises on p. 182: Thinking Critically, Communicating Accounting and Problem 6-3 using appropriate working papers
- _____ Read Section 3, Disposing of Plant Assets, pp. 183-189
- _____ Complete the following exercises on p. 190: Thinking Critically, Analyzing Accounting and Problem 6-4 using appropriate working papers
- _____ Review the Chapter 6 Summary on p. 191
- _____ Complete Understanding Accounting Concepts and Procedures on p. 192
- _____ Complete Chapter 6 Review and Activities on p. 193 (see instructor)
- _____ Read Chapter 6 Computerized Accounting, p. 194
- _____ Complete MANUALLY End-of-Chapter problems on pp. 195-197, Problems 6-5, 6-6, 6-7 and 6-8, using appropriate working papers **OR**:
- * _____ Read and complete ELECTRONICALLY in The Chapter Reviews and Working Papers pp. 195-196, Problems 6-5, 6-6, 6-7 and 6-8
- * _____ Complete Spreadsheet Problem 6-9 on p. 197 using appropriate working papers
- _____ Complete Chapter 6 Review on pp. 192-193 of the Working Papers
- _____ Complete Self-Test on pp. 203-204 of the Working Papers

_____ **Take Chapter 6 Test**

- _____ Complete Mini Practice Set – Touch of Country Gifts pp. 198-199 using appropriate working papers

_____ **Take Touch of Country Gifts Audit Test on pp. 215-216 of The Working Papers**

_____ **Take Unit Test 2-1**

Self Assessment - "I/I can . . . "

- _____ Identify property, plant, and equipment assets.
- _____ Record the initial cost of property, plant, and equipment assets.
- _____ Calculate the annual depreciation expense using four methods.
- _____ Calculate depreciation for a partial year.
- _____ Determine the book value of a plant asset.
- _____ Journalize the adjusting entry for depreciation.
- _____ Record disposal of a plant asset.
- _____ Define the accounting terms introduced in this chapter.