

Accounting I

LAP 10 – Completing the Accounting Cycle for a Sole Proprietorship



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

- ◆ Explain why the temporary capital accounts are closed at the end of the fiscal year.
- ◆ Explain the purpose of the Income Summary account.
- ◆ Explain the relationship between the Income Summary account and the capital account.
- ◆ Analyze and journalize closing entries.
- ◆ Post the closing entries to the general ledger.
- ◆ Prepare a post-closing trial balance.
- ◆ Define the accounting terms introduced in this chapter.

Resource Accounting-Real World Applications & Connections – First-Year Course
 Chapter Reviews and Working Papers (Accounting Workbook)
 CD ROM
 Electronic Field Trip

Time Frame 5 hours

Introduction

In chapter 10 you will complete the accounting cycle for a sole proprietorship, service business by recording and posting closing entries and preparing a post-closing trial balance.

Assignments

Where appropriate and possible, written answers must be in complete sentences and keyed. Turn in completed activities as directed by instructor.

- _____ View Electronic Field Trip, The Accounting Cycle
- _____ Read, Completing the Accounting Cycle for a Sole Proprietorship, pp. 230-231
- _____ Read Section 1, Preparing Closing Entries, pp. 232-241
- _____ Complete the following exercises on p. 242: Thinking Critically, Communicating Accounting and Problems 10-1 and 10-2, using appropriate working papers
- _____ Read Section 2, Posting Closing Entries and Preparing a Post-Closing Trial Balance, pp. 243-245

- _____ Complete the following exercises on p. 246: Thinking Critically, Communicating Accounting and Problem 10-3, using appropriate working papers
 - _____ Review the Chapter 10 Summary on p. 247
 - _____ Complete Understanding Accounting Concepts and Procedures on p. 248
 - _____ Complete Chapter 10 Review and Activities on p. 249 (see instructor)
 - _____ Read Chapter 10 Computerized Accounting, p. 250
 - _____ Complete End-of-Chapter problems on pp. 251-255, Problems 10-4, 10-5, 10-6, 10-7 and 10-8, using appropriate working papers
 - _____ Read Computerized Accounting Using Spreadsheets, pp 201-202 in The Working Papers
 - _____ Complete the Spreadsheet Problem 10- 9 on p. 255
 - _____ Complete Chapter 10 Review on pp. 192-193 of the Working Papers
 - _____ Complete Self-Test on pp. 221-222 of the working Papers
 - _____ Complete CD Rom (see instructor for directions)
- _____ **Take Chapter 10 Test**

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

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- _____ Post the closing entries to the general ledger.
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- _____ Define the accounting terms introduced in this chapter.