

Accounting I

LAP 23 – Plant Assets and Depreciation



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 plant assets.
- ◆ Explain the need to depreciate plant assets.
- ◆ Calculate the annual depreciation expense of a plant asset.
- ◆ Calculate depreciation for a partial year.
- ◆ Determine the book value of a plant asset.
- ◆ Record adjusting entries in the general journal for depreciation.
- ◆ Define the accounting terms introduced in this chapter.

Resources 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 23 you will learn that certain assets provide long-term economic benefits to a business. You will learn that the cost of those assets is allocated over the life of each asset through depreciation. You will also learn to classify assets as current or long-term assets and to calculate depreciation using the straight-line method.

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, Depreciation
- _____ Read, Plant Assets and Depreciations, pp. 624-625
- _____ Read Section 1, Plant Assets and Equipment, pp. 626-628
- _____ Complete the following exercises on p. 629: Thinking Critically, Communicating Accounting and Problem 23-1 using appropriate working papers

- _____ Read Section 2, Calculating Depreciation, pp. 630-631
 - _____ Complete the following exercises on p. 632: Thinking Critically, Computing in the Business World and Problem 23-2 and 23-3 using appropriate working papers
 - _____ Read Section 3, Accounting for Depreciation Expense at the End of the Year, pp. 633-640
 - _____ Complete the following exercises on p. 641: Thinking Critically, Communicating Accounting and Problem 23-4 and 23-5 using appropriate working papers
 - _____ Read Accounting Careers and Focus p. 642 and complete the Thinking Critically question
 - _____ Review the Chapter 23 Summary on p. 643
 - _____ Complete Understanding Accounting Concepts and Procedures on p. 644
 - _____ Complete Chapter 23 Review and Activities on p. 645 (see instructor)
 - _____ Read Chapter 23 Computerized Accounting, p. 646
 - _____ Complete End-of-Chapter problems on pp. 647-649, Problems, 23-6, 23-7, 23-8, 23-9, 23-10 and 23-11 using the appropriate working papers
 - _____ Complete Chapter 23 Review on pp. 656-657 of the Working Papers
 - _____ Complete Self-Test on pp. 685-686 of the Working Papers
 - _____ Complete CD Rom (see instructor for directions)
- _____ **Take Chapter 23 Test**

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

- _____ Identify plant assets.
- _____ Explain the need to depreciate plant assets.
- _____ Calculate the annual depreciation expense of a plant asset.
- _____ Calculate depreciation for a partial year.
- _____ Determine the book value of a plant asset.
- _____ Record adjusting entries in the general journal for depreciation.
- _____ Define the accounting terms introduced in this chapter.