

## Accounting I

### LAP 3 - Business Transactions and the Accounting Equation



Name \_\_\_\_\_

Period \_\_\_\_\_

Date Started \_\_\_\_\_

Date Completed \_\_\_\_\_

**DoDEA Standards**

- ◆ **PT1b** Use accounting procedures for planning, organizing, and allocating resources
- ◆ **PT1d** Develop the ability to participate in business transactions in both the domestic and international arenas
- ◆ **PT1f** Be proficient in the use of technology

**Objectives**

- ◆ Describe the relationship between property and financial claims.
- ◆ Explain the meaning of equity as it is used in accounting.
- ◆ List and define each part of the accounting equation.
- ◆ Show how various business transactions affect the accounting equation.
- ◆ Check the balance of the accounting equation after a business transaction has been analyzed and recorded.
- ◆ 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 3 you will learn the basic accounting equation and the rules of debit and credit for accounts in each part of the equation. Using the equation and the rules of debit and credit, you will analyze the effects of typical business transactions for a sole proprietorship, service business.**

**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, Accounting All Around You
- \_\_\_\_\_ Read The Basic Accounting Cycle and Business Transactions and the Accounting Equation, pp. 42-45
- \_\_\_\_\_ Read Section 1, Property and Financial Claims, pp. 46-48
- \_\_\_\_\_ Complete the following exercises on p. 49: Thinking Critically, Computing in the Business World and Problem 3-1, using appropriate working papers
- \_\_\_\_\_ Read Section 2, Accounting: Transactions That Affect Owner’s Investment, Cash and Credit, pp. 50-55
- \_\_\_\_\_ Complete the following exercises on p. 56: Thinking Critically, Communicating Accounting, and Problem 3-2, using the appropriate working papers

- \_\_\_\_\_ Read Section 3, Transactions That Affect Revenue, Expense, and Withdrawals by the Owner, pp. 57-59
- \_\_\_\_\_ Complete the following exercises on p. 60: Thinking Critically, Analyzing Accounting and Problem 3-3, using the appropriate working papers
- \_\_\_\_\_ Review the Chapter 3 Summary on p. 61
- \_\_\_\_\_ Complete Understanding Accounting Concepts and Procedures on p. 62
- \_\_\_\_\_ Complete Chapter 3 Review and Activities on p. 63 (see instructor)
- \_\_\_\_\_ Complete End-of-Chapter problems on pp. 65-69, Problems 3-4, 3-5, 3-6, 3-7, 3-8, 3-10 and 3-11 using appropriate working papers
- \_\_\_\_\_ Read Computerized Accounting Using Spreadsheets, pp. 31-36 in The Working Papers
- \_\_\_\_\_ Complete the Spreadsheet Problem 3-9, p. 68 using appropriate working papers (see instructor for computer directions)
- \_\_\_\_\_ Complete Chapter 3 Review on p. 26 and 27 of the Working Papers
- \_\_\_\_\_ Complete Self-Test on pp. 43 and 44 of the Working Papers
- \_\_\_\_\_ Complete CD Rom (see instructor for directions)
  
- \_\_\_\_\_ **Take Chapter 3 Test**

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

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