



Business Virtual Learning

Accounting II

April 16, 2020



Lesson: April 16, 2020

Objective/Learning Target:

- 1. Understand how the accounting cycle is applied in a business.**
- 2. Understand daily financial transactions of a merchandising business.**
- 3. Create 20 authentic financial transactions for your merchandising business.**

Getting Started

1. **Open your** “Accounting Cycle Project Journal”.
2. Remind yourself of the business and the chart of accounts you created in the last lesson.



Flashback Question

1. From your experience **what are some key journal entries that businesses make daily?**
2. Write this question in your journal **and** then write at least 3 journal entries you remember. Try to think about source documents that would be utilized to verify these entries as well.



Watch the [video](#) to check
your answer.



Creating Your Journal Entries for the Month

As I mentioned in the last lesson in the next few weeks you will go through the accounting cycle with a business YOU create. I will walk you through this process step by step each day.

Today's Goals:

1. Write **20 transactions** that could occur over the span of one month using a variety of your chart of accounts for YOUR business.
2. Use the checklist provided on the next slide to help guide you in writing the 20 transactions.

Checklist for entries

- DR Cash; CR Capital
- DR Asset; CR Cash
- DR Asset; CR A/P
- DR A/P; CR Cash
- DR Cash; CR A/R
- DR Cash; CR Sales;

- DR Expense; CR Cash
- DR Expense; CR A/P
- DR A/R; CR Sales
- DR Withdrawal; CR Cash
- DR Purchases; CR A/P
- You can repeat any of the above or create your own to make 20 transactions.

TIP: When choosing your dollar amounts make sure you **look at your balances** of your accounts we set up yesterday also think about the order they would occur and **date** them! **LOST???** [WATCH THIS](#)

Self Check

- I have created at least 20 transactions using the checklist.
- I have done the math and made sure that each account has enough money to support each transaction written.
- I have thought about source documents that will verify each transaction and included them in my written transaction.



Additional Resources

[Accounting Tools-Chart of Accounts](#)

Goals for tomorrow

Tomorrow we will start journalizing your **transactions** for your business so you can continue **step 2 of the accounting cycle**.

I look forward to seeing you tomorrow!