SHS LEARNING ACTIVITY

Name: _____ **Score/Mark:** _____
Grade and Section: _____ **Date:** _____
Strand: ☐ STEM ☐ ABM ☐ HUMSS ☐ ICT (*TVL Track*)
Subject: *Fundamentals of ABM 1*
Type of Activity ☐ Concept Notes ☐ Skills: Exercise / Drill ☐ Illustration ☐ Laboratory Report ☐ Essay/Task Report ☐ Others: _____

Activity Title: **LA-18. Additional Exercises on the Accounting Equation**
Learning Target: To perform operations involving simple cases with the use of the accounting equation
References: *(Author, Title, Pages)* Q. J. Abcede, CVIF Learning Activities

A. At the beginning of the accounting period, School'd, a school supply store, had total assets and total liabilities of Php750,000 and Php250,000, respectively.

1. Suppose that during the year, its total assets increased by Php210,000 and its total liabilities decreased by Php95,000. How much is its owner's equity at the end of the year?
2. Suppose, however, that during the year its total liabilities increased by Php95,000 and its owner's equity decreased by Php50,000. Given the same beginning-of-the-year asset and liability amounts, how much is the total assets at the end of the year?

(Properly and neatly show your solutions.)

B. For each transaction of Deli Eatery owned by Miss Lodelia, identify the effects on the accounting equation. (Refer to LA-16.)

Example: Deli Eatery loans money from a bank to acquire a vehicle for their operations.

Answer: Increase in asset = Increase in liability

1. Miss Lodelia withdraws business cash for personal use.
2. Deli Eatery buys air conditioning units by paying half in cash and the other half on credit.
3. Deli Eatery repays the bank that had lent money to the enterprise.
4. Deli Eatery purchases cooking ingredients from a supermarket.
5. Deli Eatery pays for the amount due on the air conditioning units (refer to #2.)