



Working Papers
For Use With

INTRODUCTION TO

Financial Accounting

PAUL DANOS



EUGENE A. IMHOFF, JR.

Working Papers
For Use With

I N T R O D U C T I O N T O

Financial Accounting

PAUL DANOS



EUGENE A. IMHOFF, JR.

Both of the University of Michigan

IRWIN

mewood, IL 60430
oston, MA 02116

© Richard D. Irwin, Inc., 1990

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of the publisher.

Printed in the United States of America.

ISBN 0-256-06192-0

1 2 3 4 5 6 7 8 9 0 VK 8 7 6 5 4 3 2 1

Contents

1	The Accounting Environment and the Business Entity	1
2	The Relationship between the Balance Sheet and the Income Statement ..	25
3	Introduction to Recording, Reporting, and Analysis	51
4	Completion on the Accounting Cycle	99
5	Accounting for Merchandising Operations	145
6	Inventory	189
7	Internal Controls, Cash, and Notes Receivable	243
8	Long-Term Assets	275
9	Current Liabilities and Payroll	321
10	Long-Term Liabilities—Notes and Bonds	361
11	Noncorporate and Corporate Business Organizations	411
12	Investments	453
13	Understanding the Income and Retained Earnings Statements	499
14	Statement of Cash Flows	539
15	Accounting Theory and Financial Statement Analysis	575
	Appendix A	619
	Appendix B	625
	Appendix C	637
	Appendix D	649
	Worksheets	661

