Spreadsheet Guide
## Step-by-Step Instructions

Problem 5-8   Completing the Accounting Equation

Complete the Spreadsheet

Step 1   Read the instructions for Problem 5-8 in your textbook. This problem involves determining the missing amounts for the accounting equations given.

Step 2   Launch the Spreadsheet Problem.

Step 3   Type your name and today's date in the cells containing the *(name)* and *(date)* placeholders.

Step 4   The first equation is completed for you. Notice that Assets ($64,400) equal Liabilities ($8,200) + Owner's Capital ($56,300) – Withdrawals ($500) + Revenue ($10,000) – Expenses ($9,600).

Step 5   To complete the second equation, type the amounts given in your textbook for Assets, Liabilities, Owner's Capital, Withdrawals, and Revenue in the appropriate cells. To calculate the amount for Expenses, add Liabilities ($525) + Owner's Capital ($18,800) – Withdrawals ($1,200) + Revenue ($12,100) to get a total of $30,225. Subtract Assets ($22,150) from this amount to get $8,075, the missing amount for Expenses. Type **8075** in cell L12.
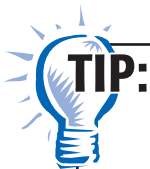
TIP: Remember, do *not* type a dollar sign or a comma when you enter the data—the spreadsheet template will automatically format the data for you.

Step 6   To check your work, look at cells L23 and L25. Total Assets should equal Total Liabilities + Owner's Capital – Withdrawals + Revenue – Expenses.

Step 7   Complete the remaining equations in Problem 5-8 by typing the appropriate data from your text into the spreadsheet template and calculating the missing amounts.

> Check the totals at the bottom of the spreadsheet after the amounts have been entered to make sure they are in balance. If the totals do not balance, check your work to find the error.

Step 8   Save the spreadsheet using the **Save** option from the ***File*** menu. You should accept the default location for the save, as this is handled by the management system.

Step 9   Print the completed spreadsheet.

Step 10   Exit the spreadsheet program.

Step 11   In the Close Options window, select the location where you would like to save your work.

Step 12   Complete the Analyze activity from your textbook for this problem.

What-If Analysis

TIP: Always save your work before performing What-If Analysis. It is not necessary to save your work after performing What-If Analysis unless your teacher instructs you to do so. If you are required to save your work after performing What-If Analysis, be sure to rename the spreadsheet to avoid saving over your original work.

If Liabilities are $50,000, Owner's Capital is $39,250, Withdrawals are $1,176, Revenue is $15,802, and Expenses are $11,660, what are Assets?

TIP: Use row 11 of the spreadsheet template to answer this question. Type the amounts for Liabilities, Owner's Capital, Withdrawals, Revenue, and Expenses. Note that the amount for Assets is automatically computed for you! This is because cell B11 contains a *formula* that automatically calculates the missing amount. Formulas are very useful in spreadsheets, saving time and improving accuracy.

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