

Account Classifications + T-Accounts

8 DIGITAL LESSONS

8 Deep Dive Lessons for
Every Major Account
Classification

Includes:

- 40+ Google Slides
- Teacher's Keys
- Video Walkthroughs
- Lesson Library

NO PREP!
SAVES YOU TIME!



BUSINESS EDUCATION WITH *Denise Leigh*

NO PREP Intro Digital Activities

What's included?

- ✓ **8 interactive lessons** (40+ Google Slides or convert to PowerPoint)
- ✓ **Teacher's Keys**
- ✓ **Introductory Videos** for Each Lesson (requires YouTube access)
- ✓ **Lesson Library** to keep you organized

**Everything You Need to Teach
Account Classifications &
T-Accounts**



Great for In-Person, Sub Days, Virtual, & Homeschool

Covers T- Accounts + 7 Major Account Classifications

- ✓ Assets
- ✓ Liabilities
- ✓ Owner's Equity
- ✓ Owner's Capital
- ✓ Revenue/Sales
- ✓ Expenses
- ✓ Owner's Drawing

40+ Ready-to-Teach Google Slides

The Lesson Library

A Collection of Lessons for a Deep Dive into Account Classifications

✓ Easy to Navigate

✓ Stay Organized

✓ Find Lessons Quickly

✓ Perfect for
Multi-Prep Teachers



Video [T-Accounts](#)

[CLICK HERE](#) for T-Account Reference

NO TEACHER'S KEY



Video [Assets](#)

[CLICK HERE](#) for a copy of Assets

[TEACHER'S KEY](#)



Video [Liabilities](#)

[CLICK HERE](#) for a copy of Liabilities

[TEACHER'S KEY](#)



Video [Owner's Equity](#)

[CLICK HERE](#) for a copy of Owner's Equity

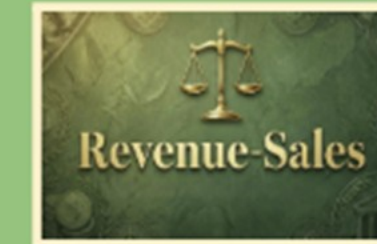
[TEACHER'S KEY](#)



Video [Owner's Capital](#)

[CLICK HERE](#) for a copy of Owner's Capital

[TEACHER'S KEY](#)



Video [Revenue/Sales](#)

[CLICK HERE](#) for a copy of Revenue/Sales

[TEACHER'S KEY](#)



Video [Expenses](#)

[CLICK HERE](#) for a copy of Expenses

[TEACHER'S KEY](#)



Video [Owner's Drawing](#)

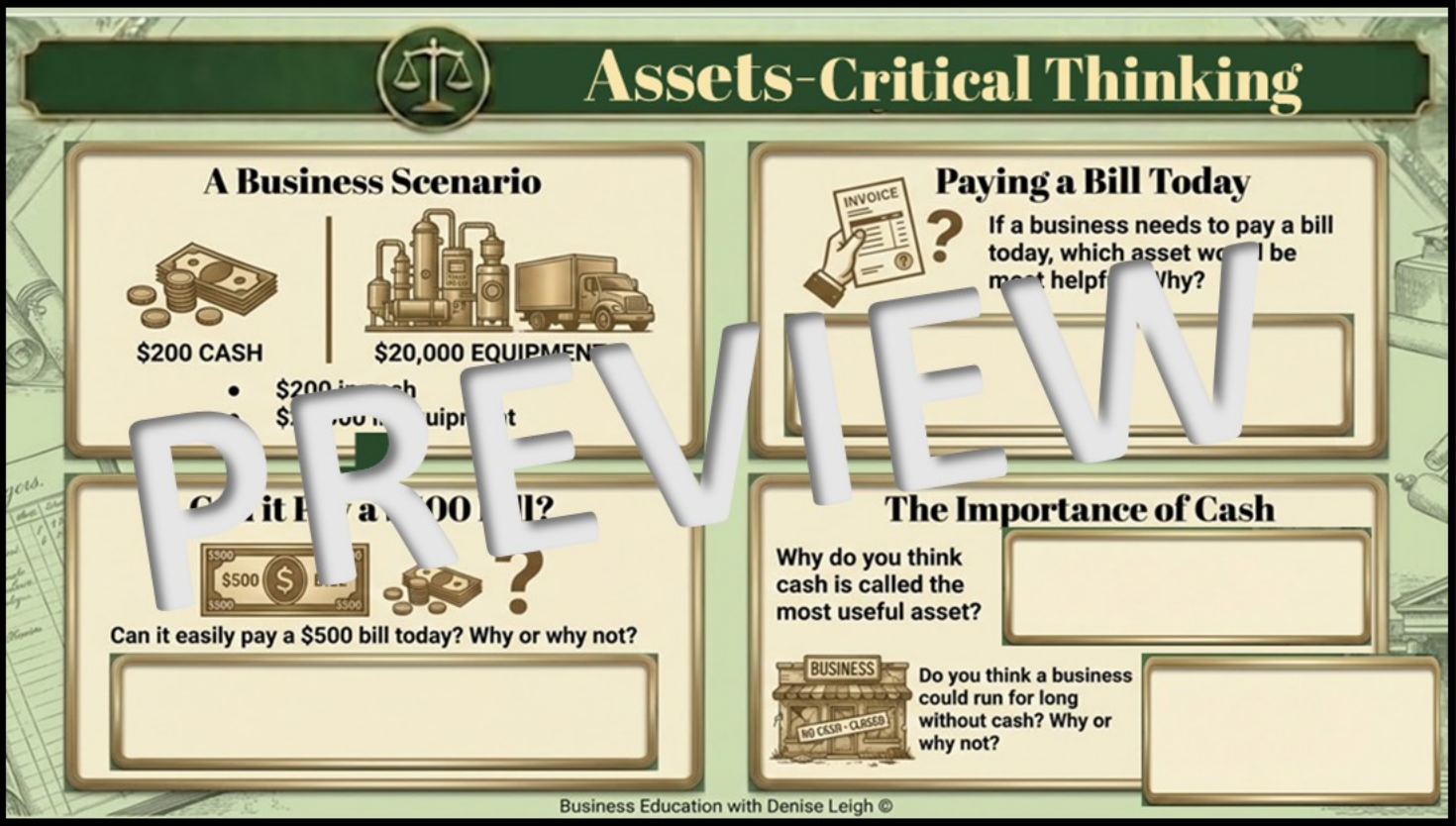
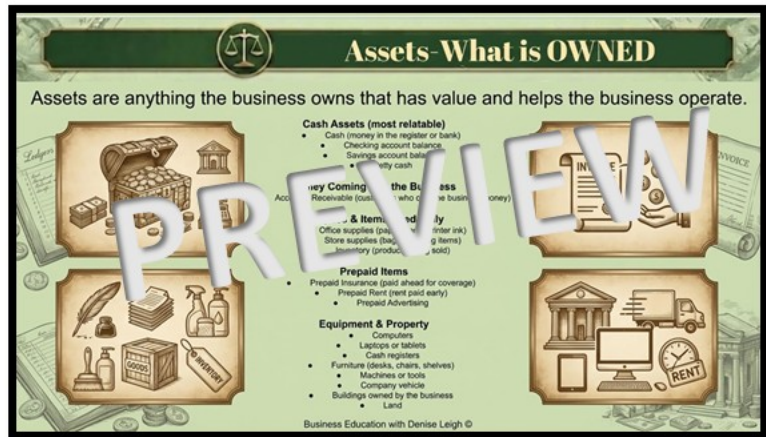
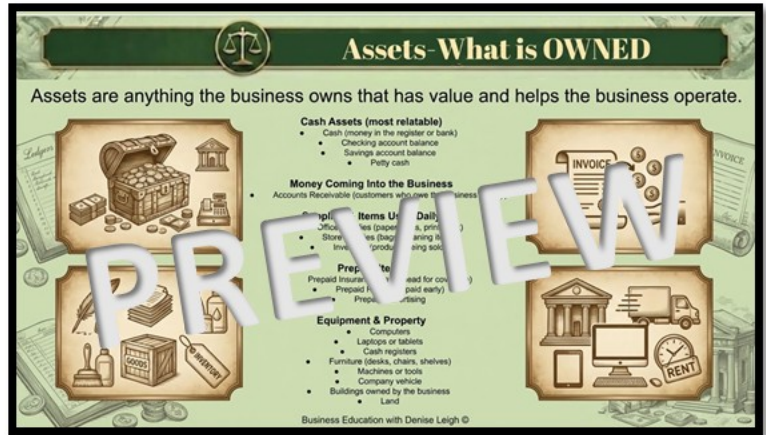
[CLICK HERE](#) for a copy of Drawing

[TEACHER'S KEY](#)

Business Education with Denise Leigh ©

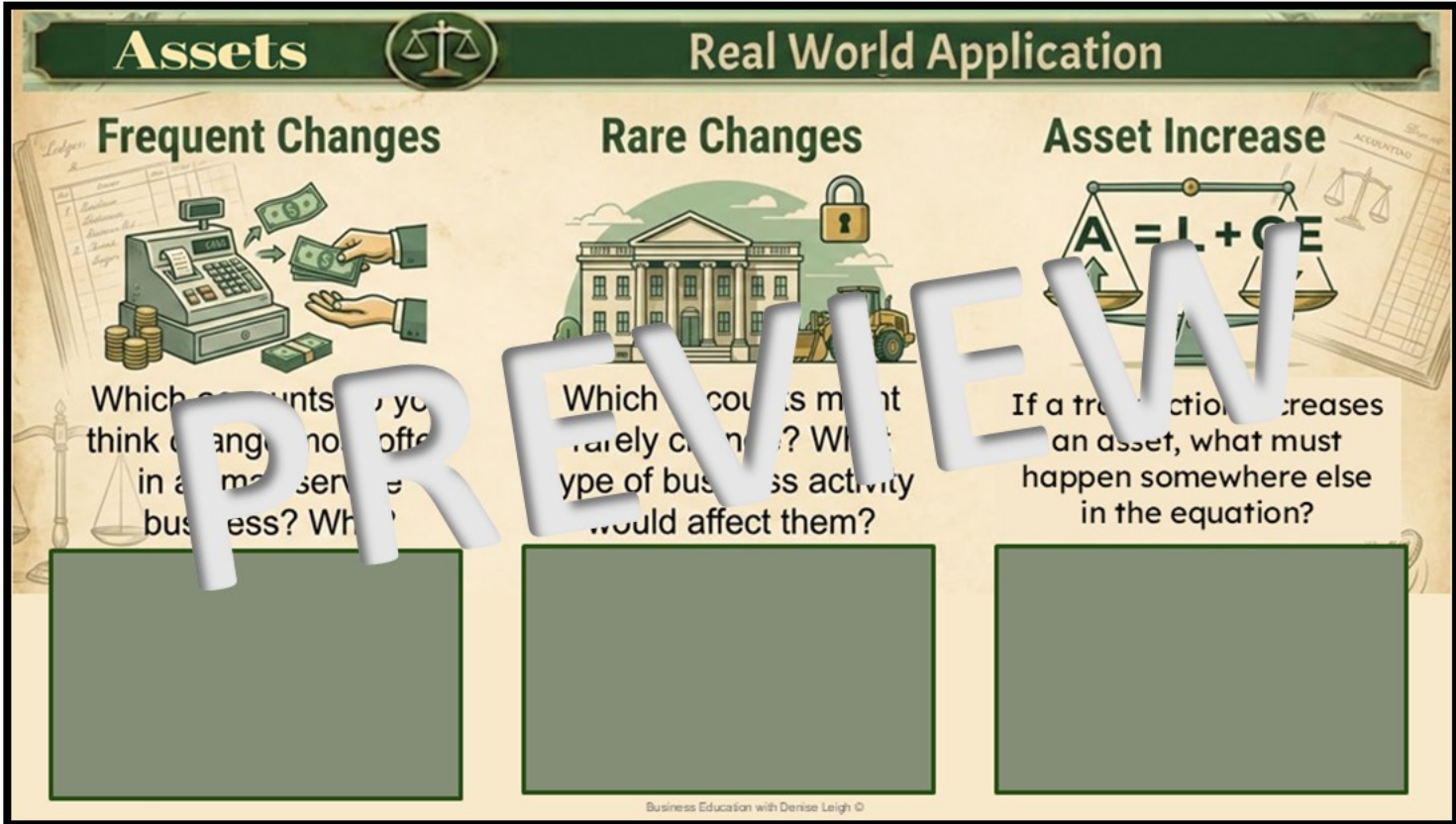
40+ Ready-to-Teach Google Slides

Assets

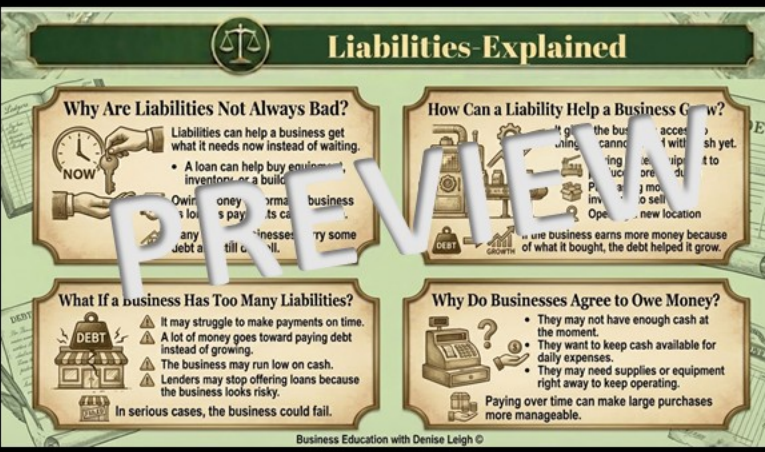
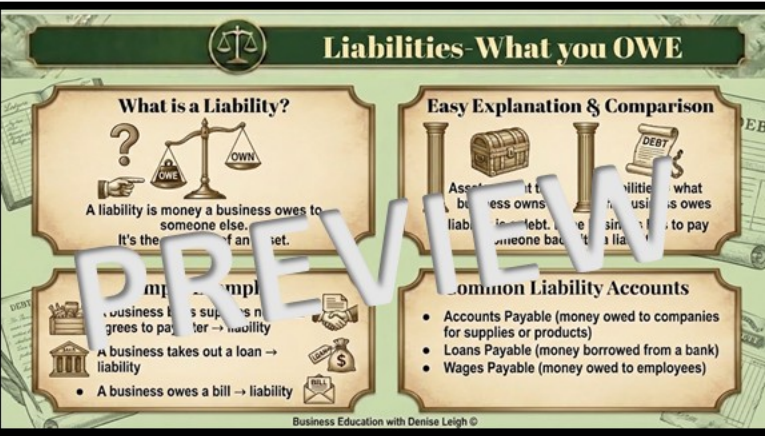


Critical Thinking

Interactive Slides



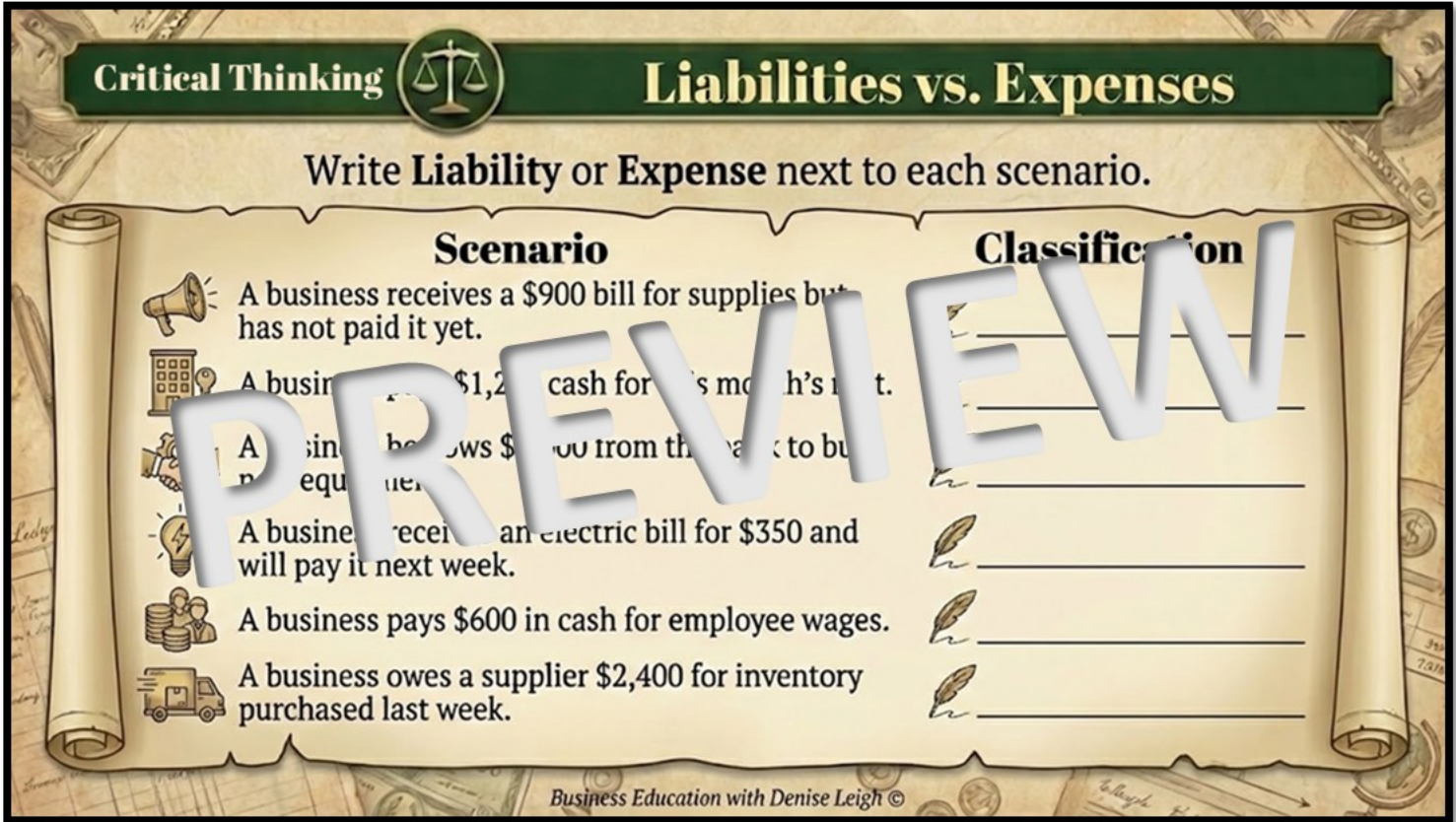
Liabilities



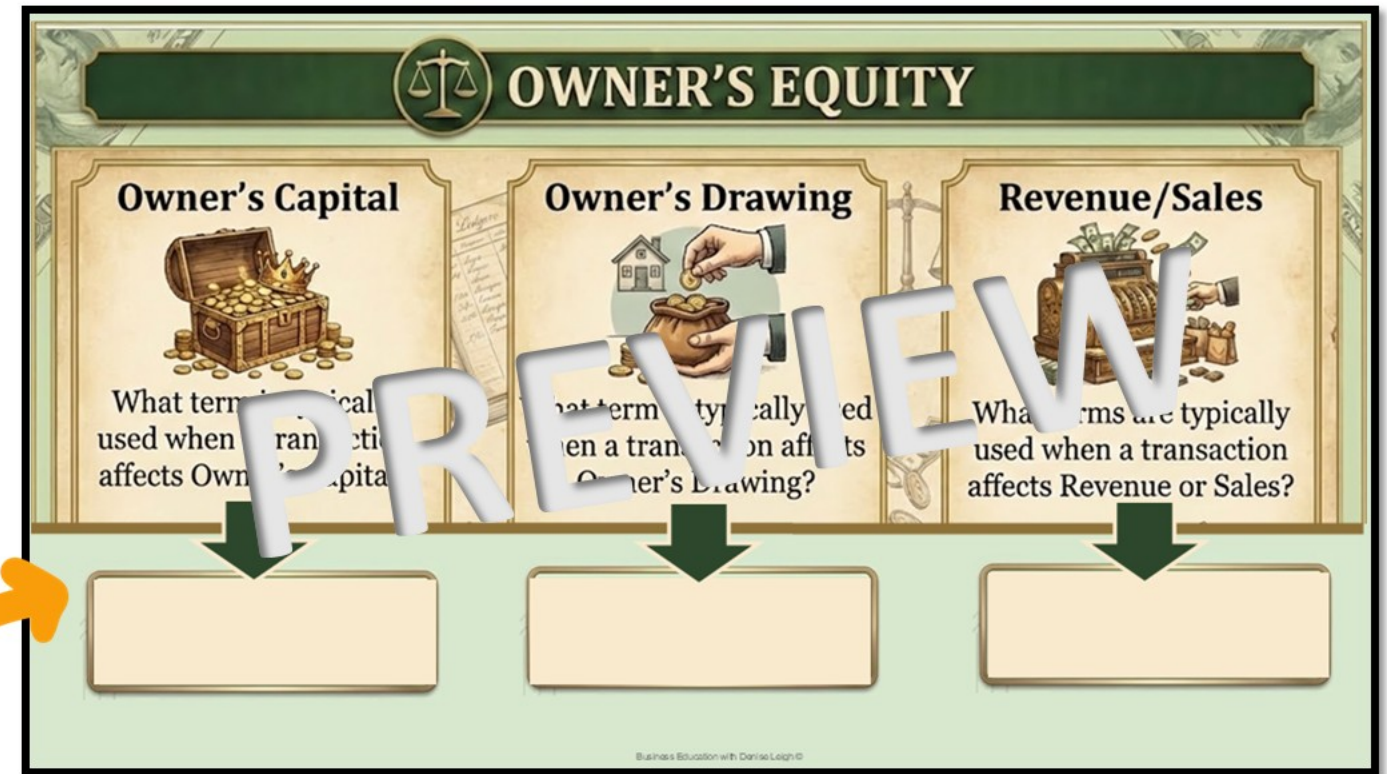
Critical Thinking

Scenario Analysis

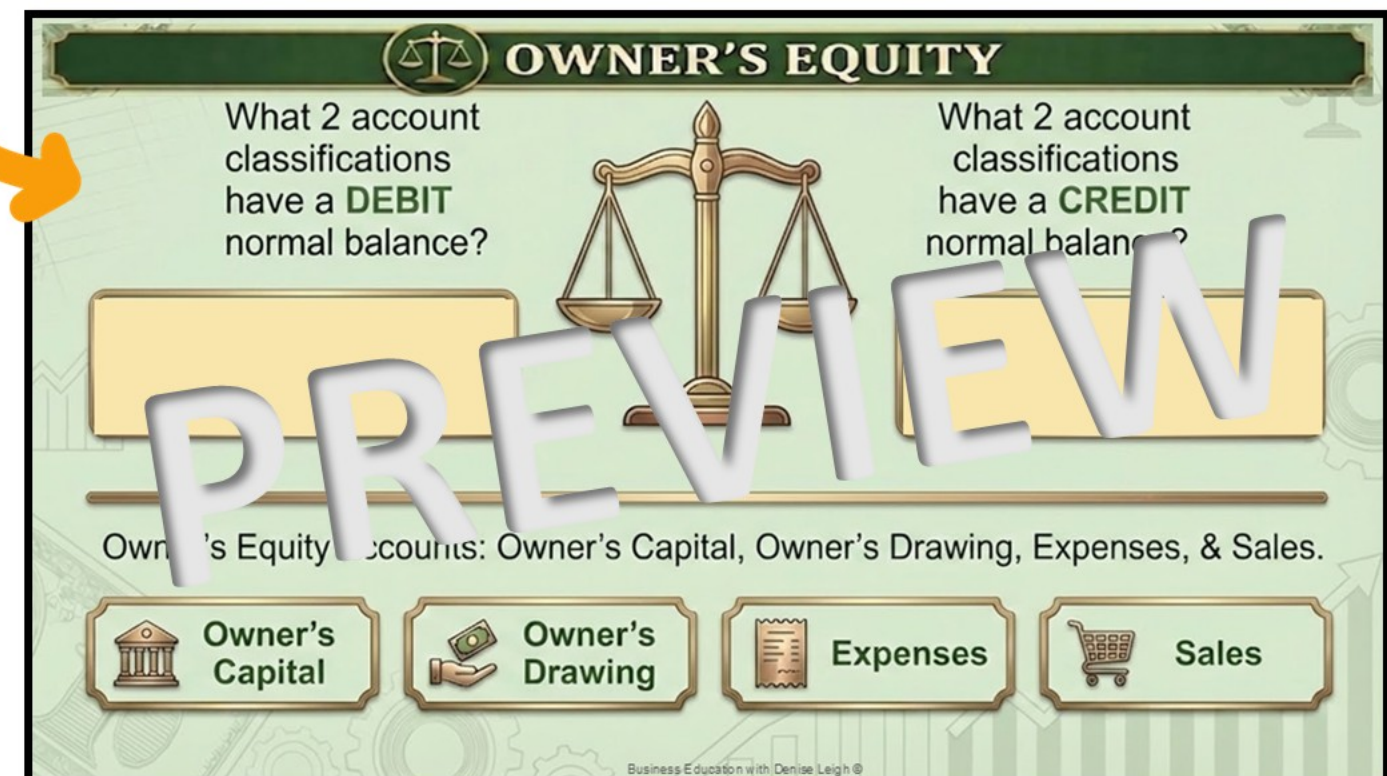
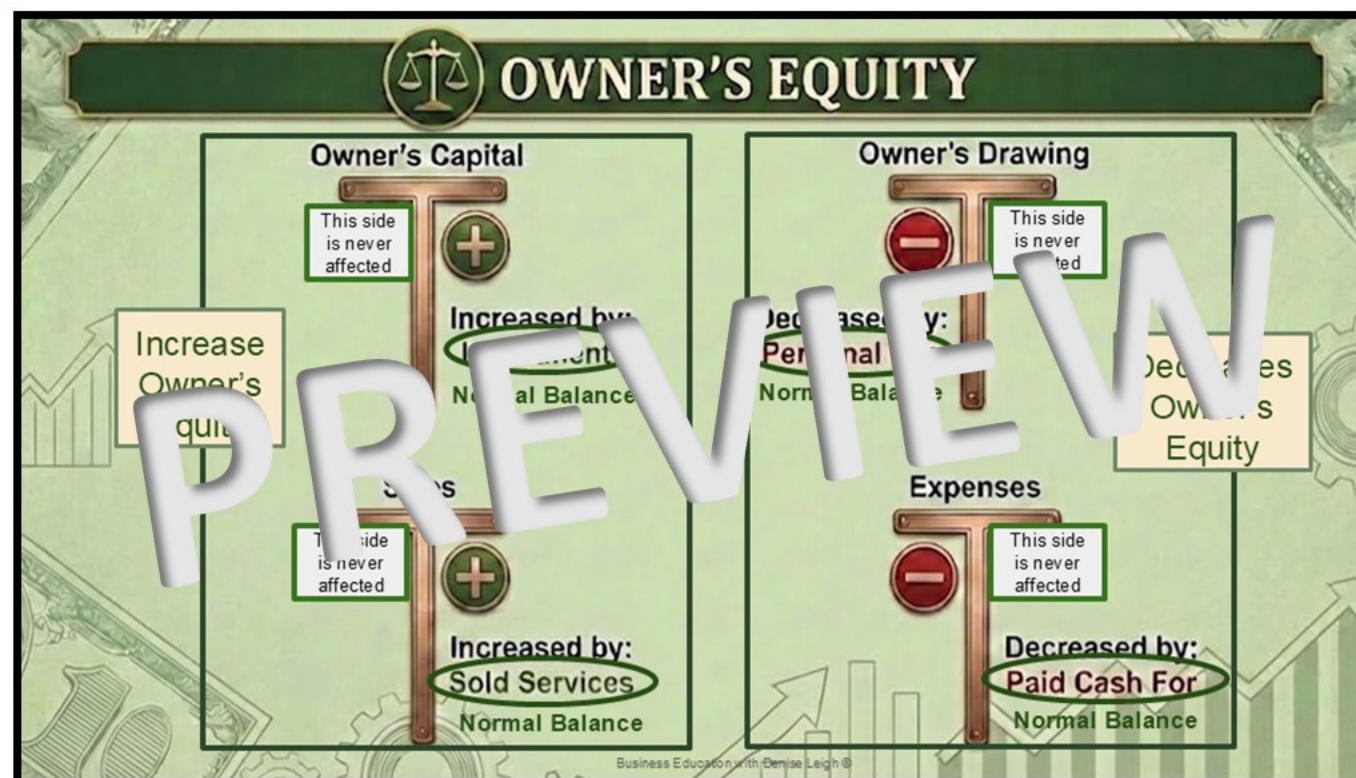
Interactive Slides



Owner's Equity



Interactive Slides



Owner's Capital



Basic Understanding **Owner's Capital**

Owner's capital is simply the money the owner puts into the business and the money the business keeps in the business for them. It's the owner's share of the business.

For a sole proprietorship, there's one owner → one capital account.

Partners → each partner has their own capital account.

Invests money → increases capital

Business earns profit → increases capital

Owner takes money out for personal use → decreases capital

Owner's capital is like the business's piggy bank for the owner.

Basic Understanding **Owner's Capital**

Logan invests \$500 cash

Owner's Capital increases \$500.

Stand earns \$200 in profit

Owner's Capital increases to \$700.

Logan takes \$100 for personal use

Owner's Capital goes down to \$600.

Critical Thinking **Owner's Capital**

Example 1 – Sole Proprietorship

Example 1 – Sole Proprietorship

- Mia starts a cupcake business. She invests \$500 cash.
- The business earns \$150 in profit this month.
- Mia takes \$50 for personal use.

Question: What is Mia's current Owner's Capital?

Example 2 – Partnership

Example 2 – Partnership

Jake's Investment (\$600)

Leah's Investment (\$400)

The business earns \$300 profit this month.

Jake and Leah each take \$50 for personal use.

Question: What is the current Owner's Capital?

Critical Thinking

Interactive Slides

Critical Thinking **Owner's Capital**

Scenario 1: Profit Withdrawal & Capital

If a business earns a profit but the owner takes all of it out, what happens to owner's capital? Why?

OWNER'S CAPITAL

Scenario 2: Continuous Investment & Success

If an owner keeps investing more money every year, does the business automatically mean it's successful? Why or why not?

OWNER'S CAPITAL

Owner's Drawing



Owner's Drawing Account

A drawing account is used to track money or items the owner takes out of the business for personal use.

- It is only used in sole proprietorships and partnerships.
- It records withdrawals like:
 - Cash taken for personal spending
 - Business supplies taken home
 - Equipment taken for personal use

Business Entity (GAAP) Owner's Drawing Account

What accounting principle supports tracking drawings separately? The **Business Entity Principle** supports this. This principle states:

- The business and the owner are separate accounting entities.
- Personal transactions must stay out of business records.
- Owner withdrawals must be recorded in a drawing account, not as expenses.

Drawings reduce owner's equity. They do not reduce net income. They do not show up as operating expenses.

Bottom line: The business entity principle is the reason you track drawings separately instead of mixing them with business expenses.

Key Concepts Owner's Drawing Account

The owner puts money into the business → capital increases
The owner takes money out for personal use → drawing increases
More drawings = less ownership value left in the business

Quick Example

- The owner takes \$200 from the cash register to buy groceries.
- The business records this in the Drawing account because the money left the business for personal use, not business use.

Owner's Drawing Account- Critical Thinking

If a business shows a profit but the owner withdraws a large amount of cash, what could happen to the business?

Should an owner take drawings if the business is struggling with cash flow? Why or why not?

Owner's Drawing

Critical Thinking

Scenario Analysis

Interactive Slides

Business Entity (GAAP) Owner's Drawing Account

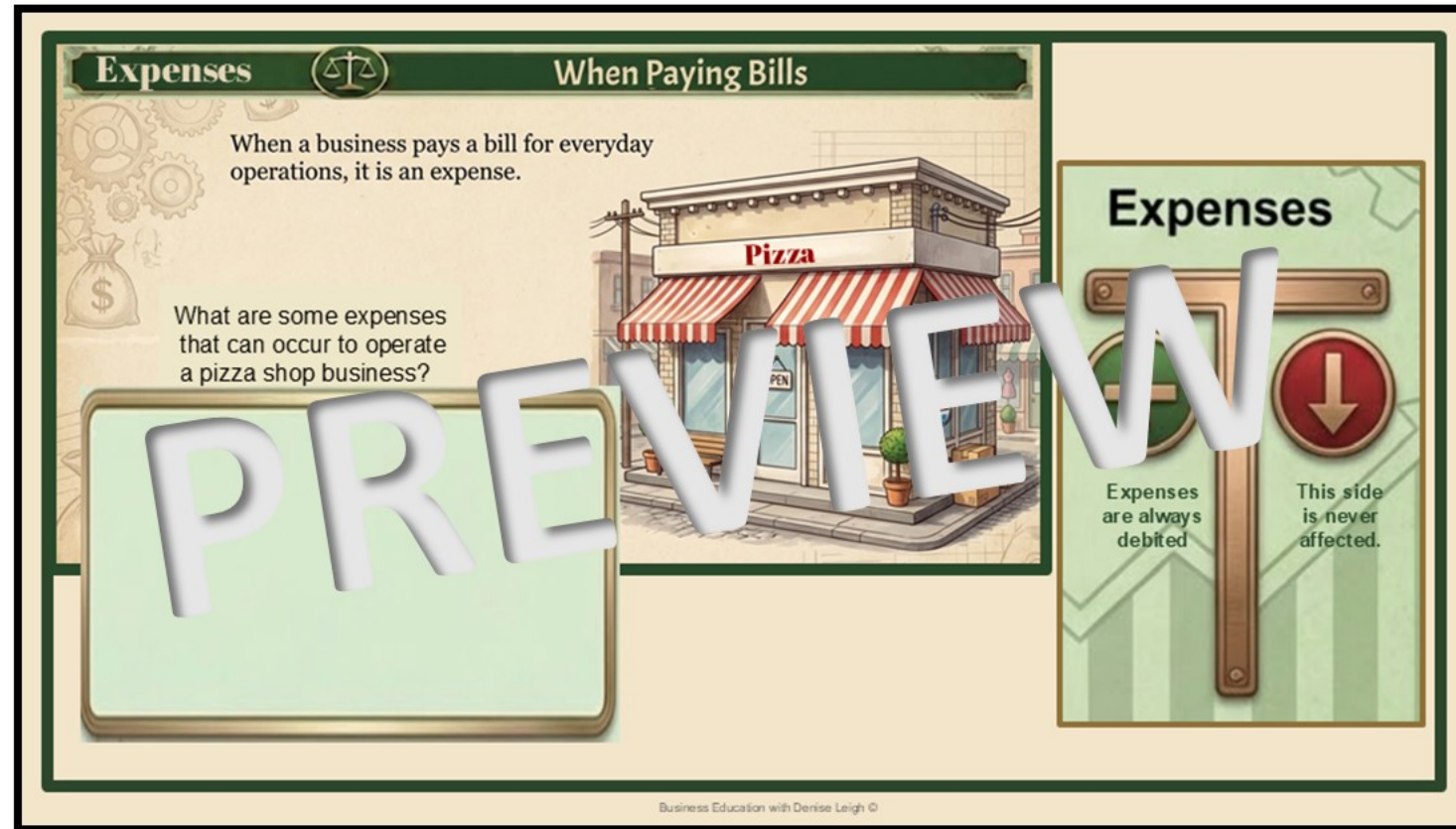
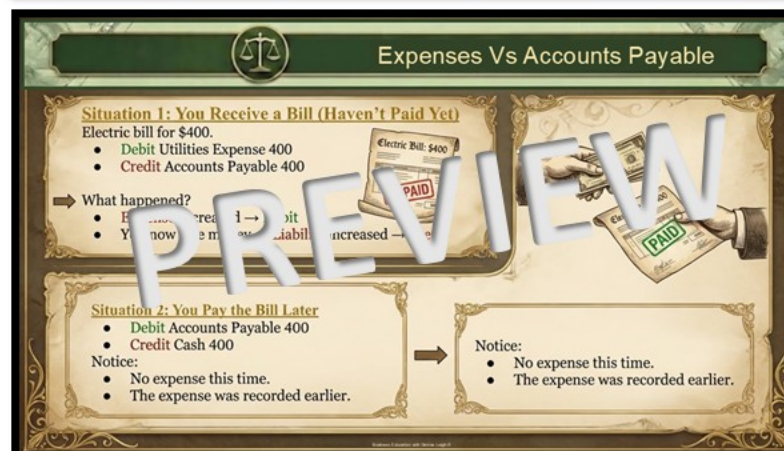
Scenario: The Vanishing Supplies

Principle: The Separate Entity Rule

an owner keeps business supplies home... though recording drawings, what could the cause for the business records?

does recording drawings support the idea of business and the owner separate, even though the owner is allowed to take money or items out?

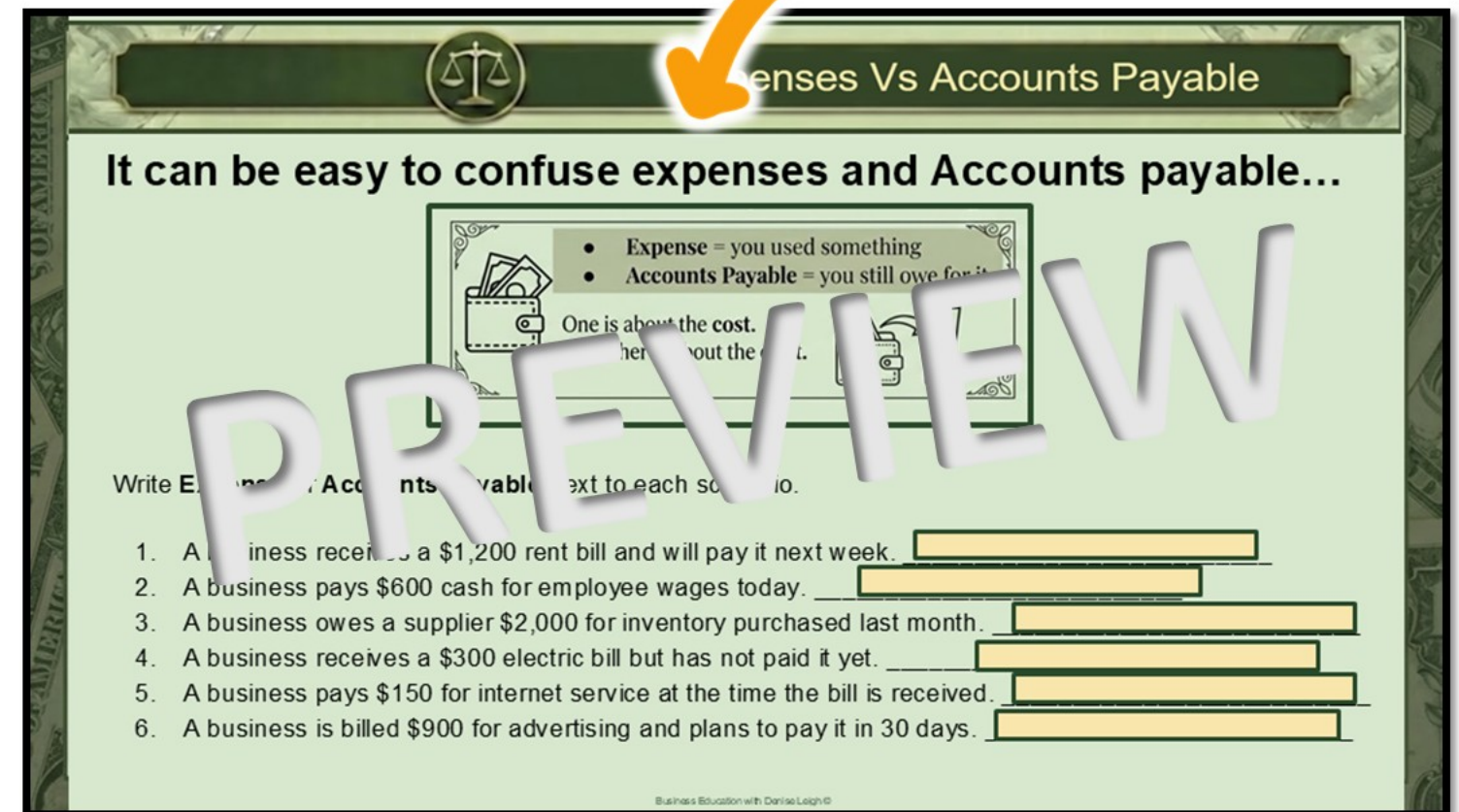
Expense



Critical Thinking

Identify Expense Or Accounts Payable Practice

Interactive Slides



Revenue / Sales



Revenue-Sales

Revenue is all the money a business makes from what it sells.

Sales

- Sales are the specific transactions where a business sells a product or service.
- Sales are one-time transactions that earn revenue.

Example:

- A lemonade stand sells 10 cups of lemonade for \$1 each.
- Each cup sold = a sale
- 10 cups × \$1 = \$10 total revenue

Revenue-Sales

Every sale adds to revenue.

Revenue shows the overall success of the business in making money from sales.

When you see the words 'Sold Services' in a transaction, sales is credited.

Basic Understanding Revenue-Sales

What is the difference between a sale and revenue?

If a business sells 5 items for \$2 each, what is the total revenue?

$5 \times \$2 =$

Critical Thinking Realization of Revenue

Read each scenario. Decide when revenue is realized — when the work/product is delivered or when the cash is received.

A car wash cleans a customer's car on Tuesday. The customer pays on Friday. When is the revenue realized?	A clothing store sells a jacket and a customer pays with cash at the time of purchase. When is the revenue realized?
A bakery bakes a cake today for a birthday party to be picked up next week. When is the revenue realized?	A graphic designer is paid in advance to create a logo but has not started the work yet. When is the revenue realized?
A tutoring business finishes a study session with a student today. The parent will pay at the end of the month. When is the revenue realized?	A lawn care company cuts a customer's grass today and is paid immediately after the job is finished. When is the revenue realized?

Business Education with Denise Leigh ©

Critical Thinking

Scenario Analysis

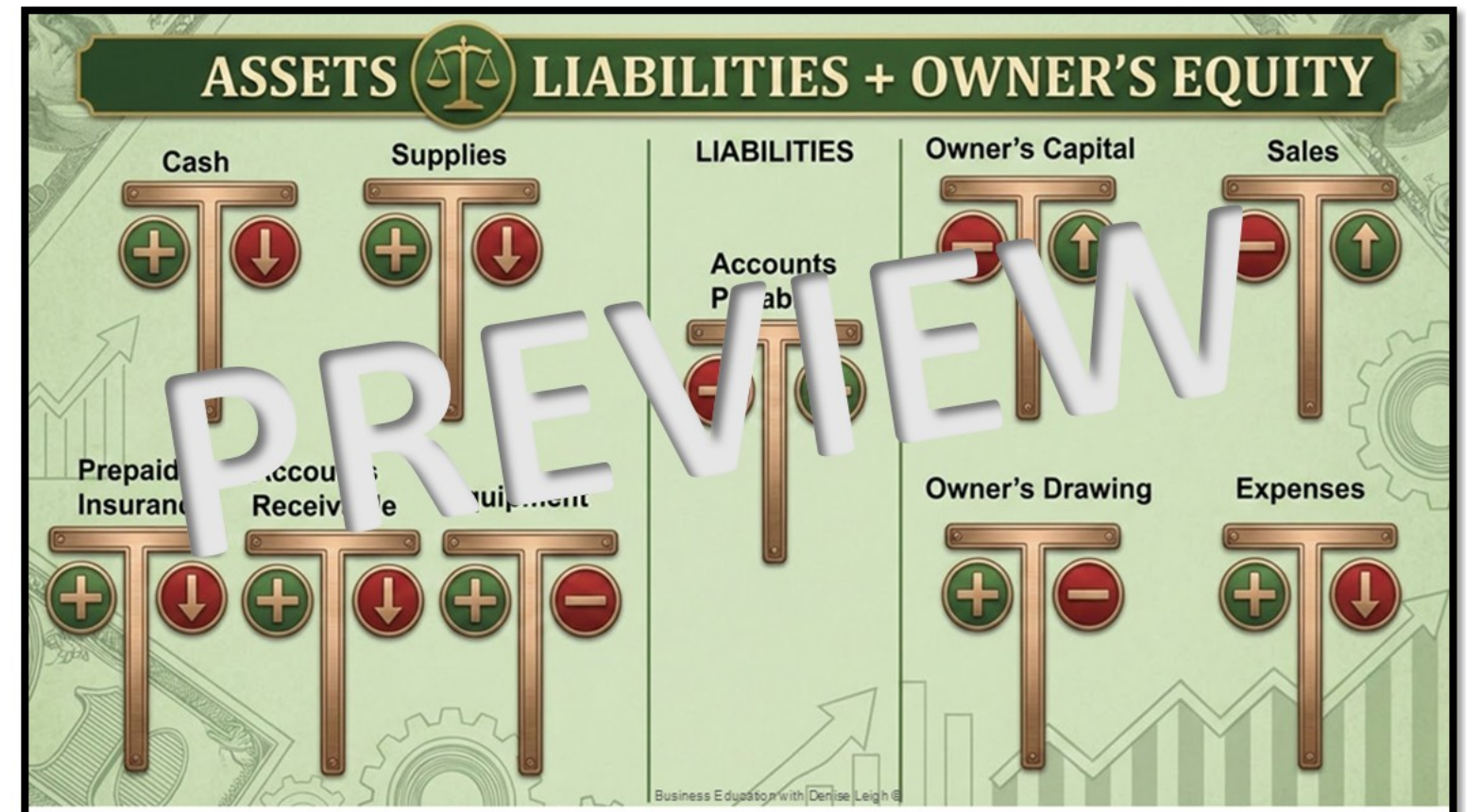
Interactive Slides

Scenarios Revenue-Sales

A business sells 50 T-shirts, but some customers haven't paid yet. Should that money count as revenue? Why?	If a business has lots of sales but high costs, does that mean revenue is low or high? Explain.	How can a business increase revenue without raising the price of its products?
--	--	---

Business Education with Denise Leigh ©

T-Accounts



Hi! My name is Denise Leigh. I have been teaching Business Education for over 25 years! I love collaborating with business educators all over the world. I am a 2022 Pennsylvania Teacher of the Year Finalist and relentless lifetime learner and lover of everything education. Engaging students and connecting them to their world is my jam! Thank you for exploring my resources and sharing my passion for BUSINESS EDUCATION!

Denise Leigh is an expert on student-led instruction. She was featured on CBS Pittsburgh for her City Collaborative™ Project-Based Business Education (PBL) Classroom.

