


Slide 1

1.3 Business Activities

- Objective
 - Overview of the three main business activities
 - Financing Activities
 - Investing Activities
 - Operating Activities



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Slide 2

Business Activities

- Business activities are categorized as follows:
 - Financing Activities
 - Investing Activities
 - Operating Activities

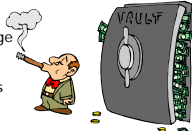


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Slide 3

Financing Activities

- Definition
 - Business transactions where cash is obtained or repaid to owners and creditors
- Types of Financing Activities
 - borrowing money from a lender (bank)
 - Repaying a loan
 - Receiving investments from owners in exchange for stock
 - Re purchasing stocks or bonds from investors

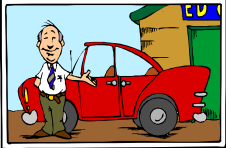


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Slide 4

Investing Activities

- Definition
 - Business transactions associated with buying and selling of long term assets used in **the day to day business** of the entity
- Types of Investing Activities
 - Selling buildings
 - Selling equipment
 - Purchasing new equipment
 - Purchasing patents or copyrights




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Slide 5

Operating Activities

- Definition
 - Business transactions associated with the day to day business of a company
- Types of Operating Activities
 - Paying employees
 - Purchasing raw materials or merchandise for resale
 - Selling goods or services to customers
 - Paying taxes



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