

**NESHAMINY SCHOOL DISTRICT
LANGHORNE, PENNSYLVANIA**

Course Title

ACCOUNTING II

COURSE OF STUDY: ACCOUNTING II

COURSE LENGTH: Full Year

ENDURING UNDERSTANDING: Accounting represents formal record keeping in the business sector. It ensures that businesses can keep track of what they earn, manage input and outflow of monies, and evaluate how they spend and invest.

ESSENTIAL QUESTIONS THAT THE COURSE CONTENT ANSWERS:

Why is it essential for businesses to follow the accounting process?

How are financial statements used to assess the financial status of a business?

| Student Learning Standards/Indicators | Essential Content, Skills, Knowledge | Suggested Learning Activities and Instructional Strategies |
|--|--|--|
| <p>1.1 Students will apply debit and credit rules when analyzing and journalizing business transactions for a departmentalized business BCIT 15.1.12.C, BCIT 15.1.12.D</p> <p>1.2 Students will prepare departmental payroll procedures BCIT 15.1.12.M</p> <p>1.3 Students will prepare financial reports BCIT 15.1.12.C, 15.1.12.D, 15.1.12.Q</p> <p>1.4 Students will prepare and explain the purpose of financial statements and their articulation with each other BCIT 15.1.12.C, 15.1.12.D, 15.1.12.S</p> <p>1.5 Students will complete the adjusting and closing process in the journal BCIT 15.1.12.C, 15.1.12.D</p> <p>1.6 Use spreadsheet software to maintain accounting records BCIT 15.1.12.E</p> | <p>1.1 Review of basic accounting transactions for a merchandising business (purchases, sales, cash payments, cash receipts and petty cash)</p> <p>1.2 Calculating and recording payroll data (gross pay, taxes/deductions, net pay, journal entries)</p> <p>1.3 Review the purpose and procedure for completing a statement of gross profit,, margin statements and a worksheet</p> <p>1.4 Review the formatting and process of completing the financial statements</p> <p>1.5 Review the process of the creation of the adjustment and closing entries</p> <p>1.6 Basic instruction in the use of MS Excel 2003</p> <p>1.7 Students will complete a reinforcement activity where they are to prepare an estimated merchandise inventory sheet, interim dept. statement of growth profit, calculate component percentages, journalize transactions, prepare financial statement.</p> | <p>1.1 Application problems / Projected Models</p> <p>1.2 Demonstrate each procedure/Application problems</p> <p>1.3 Given a trial balance model the worksheet process and prepare appropriate statements (projected model)</p> <p>1.4 Given a completed worksheet model prepare each statement</p> <p>1.5 Provide model entries given a completed worksheet (projected)</p> <p>1.6 Create models of various accounting applications (projected) Discussion of use and procedures</p> <p>1.7 Students will be assessed on their reinforcement activity work. The complete accounting cycle is for a departmentalized merchandising business organized as a corporation.</p> |

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| Student Learning Standards/Indicators | Essential Content, Skills, Knowledge | Suggested Learning Activities and Instructional Strategies |
|---|---|---|
| 2.1 Students will compare and evaluate inventory concepts BCIT 15.1.12.J | 2.1 Consignment; Purchase Requisition, Order, Invoice; LIFO, FIFO, WAM; Lower of Cost or Market; Merchandise Inventory Turnover Ratio; Average Number of Days Sales | 2.1 Students will work together with teacher initiated direction to complete a content problem. Students then work independently to apply accounting procedures to another scenario. Students assimilate topic related applications to a more comprehensive problem. These are work together, on your own and application problems. |
| 2.2 Students will apply appropriate accounting techniques for uncollectible accounts BCIT 15.1.12.F | 2.2 Direct write-off method; Allowance method; Aging Accounts Rec.; Account Receivable Turnover Ratio; Book Value of Accounts Receivable | 2.2 Work Together, On Your Own, Application Problems |
| 2.3 Students will explain /calculate depreciation of assets using various methods; create entries for acquisition of assets and disposal of property, plant and equipment BCIT 15.1.12.F, 15.1.12.H | 2.3 Asset records straight-line method; Declaiming Balance Method; Sum-of-the-year Digit Method; Production Unit Method; MACRS Method; Depletion Method; Real Property; Personal Property; Assessed Value | 2.3 Work Together, On Your Own, Application Problems |
| 2.4 Students will explain the purposes of notes payable; establish and maintain accounts for payables and related interest BCIT 15.1.12.G | 2.4 Promissary Note; Notes Payable; Date of Note; Principle of Note; Maturity Date of Note Interest; Interest Rate of Note; Interest Expense; Maturity Value; Bank Discount; Dishonored Note; Proceeds | 2.4 Work Together, On Your Own, Application Problems |
| 2.5 Students will explain and demonstrate prepaid expenses BCIT 15.1.12.F | 2.5 Supplies initially recorded as an asset; supplies initially recorded as an expense; insurance initially recorded as an expense | 2.5 Work Together, On Your Own, Application Problems |
| 2.6 Students will explain and demonstrate accrued expenses BCIT 15.1.12.L | 2.6 Accrued interest expense; accrued salary | 2.5 Work Together, On Your Own, Application Problems |
| 2.7 Students will explain the purposes of notes receivable BCIT 15.1.12.F | 2.7 Issuing notes receivable; receiving payment; dishonored notes receivable | 2.7Work Together, On Your Own, Application Problems |
| 2.8 Establish and maintain accounts for unearned and accrued revenue BCIT 15.1.8.K | 2.8 Unearned revenue initially recorded as revenue; accrued interest income | 2.8 Work Together, On Your Own, Application Problems |

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| Student Learning Standards/Indicators | Essential Content, Skills, Knowledge | Suggested Learning Activities and Instructional Strategies |
|--|--|--|
| 3.1 Students will explain and demonstrate transactions incurred when starting a corporation BCIT 15.1.12.I | 3.1 Issuing capital stock; organization costs; accounting concepts and practices related to corporate accounting; purpose of the capital stock and retained earnings account | 3.1 Work Together, On Your Own, Application Problems |
| 3.2 Students will explain and demonstrate transactions related to stock subscriptions and dividends BCIT 15.1.12.I | 3.2 Issuing stock subscribed, payment for subscriptions; issuance of stock previously subscribed; calculating dividends and accompanying journal entries | 3.2 Work Together, On Your Own, Application Problems |
| 3.3 Students will explain and demonstrate practices related to acquiring additional capital for a corporation BCIT.15.1.12.U | 3.3 Issuing preferred stock or common stock at par value; more than par, less than par, with no par, with a stated value; for assets other than cash; Stock Certificate, Date of Declaration; Date of Record; Date of Payment | 3.3 Work Together, On Your Own, Application Problems |
| 3.4 Students will explain and demonstrate buying and selling treasury stock BCIT.15.1.12.V | 3.4 Selling treasury stock for original cost, more or less than original cost | 3.4 Work Together, On Your Own, Application Problems |
| 3.5 Students will use appropriate accounting concepts and techniques to analyze and record the issuance, amortization and retirement of bonds BCIT 15.1.12.U, BCIT 15.1.12.V | 3.5 Bonds Payable; Bond Issue; Trustee; Bond Sinking Fund; Interest on Bonds; Retiring a Bond; Term Bonds; Serial Bonds | 3.5 Work Together, On Your Own, Application Problems |
| 3.6 Students will prepare a corporate worksheet BCIT 15.1.12.P | 3.6 Adjustments, federal income tax calculation, federal income tax expense | 3.6 Work Together, On Your Own, Application Problems |
| 3.7 Students will prepare and analyze financial statements for a corporation BCIT 15.1.12.Q | 3.7 Income statement; acceptable and actual component percentages; share of net income; earnings per share; statement of stockholders' equity; balance sheet; accounts receivable turnover ratio; rate earned on average stockholders' equity; rate earned on total assets | 3.7 Work Together, On Your Own, Application Problems |
| 3.8 Students will perform end-of-fiscal-period work for a corporation BCIT 15.1.12.Q | 3.8 Journalizing adjusting and closing entries; post-closing trial balance; journalizing reversing entries; | 3.8 Work Together, On Your Own, Application Problems |

Common Core Standards Cross Referenced with Accounting

Accounting 2

Grades 10 – 12 PA Common Core Academic Standards for Reading in Science and Technology

Key Ideas and Details:

CC.3.5.11-12.C

Follow precisely a complex multistep procedure when carrying out experiments, taking measurements, or performing technical tasks; analyze the specific results based on explanations in the text.

Application:

Students by analysis of the data apply multistep procedure when recording entries to maintain a balanced general ledger.

Grades 10 – 12 PA Common Core Academic Standards for Writing in Science and Technical Subjects

Production and Distribution of Writing:

CC.3.6.9-10.C

CC.3.6.11-12.C

Produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose and audience.

Application:

Students will write a critical response to real world questions linked to the content of the specific chapter.

Transfer Tasks for Accounting

(Students will apply bookkeeping practices to keep a set of books for one month to determine profit or loss and the business's financial position.)

Accounting 2

An authentic assessment which is realistic has rigor and is relevant to the study of basic accounting.

Practice Set: Zenith Global Incorporated

Business, Computer and Information Technology Standards - 15.1 ACCOUNTING

15.1.12.A Summarize professional designations, careers, and organizations within the field of accounting, including education and certifications.

15.1.12.B Analyze the roles of policy-setting bodies in the accounting profession, (AIPCA), (PICPA), (GAAP) and the (SEC).

15.1.12.C Analyze business transactions using T-accounts to determine their impact on a business.

15.1.12.D Analyze, journalize, and post transactions to general & subsidiary ledgers.

15.1.12.E Perform accounting functions using technology as a tool.

15.1.12.F Analyze and journalize transactions for short and long-term assets.

15.1.12.G Analyze and journalize transactions involving short and long-term liabilities.

15.1.12.H Identify, calculate, and record depreciation, depletion and amortization; explain their effect on the financial statements.

15.1.12.I Differentiate between and journalize entries for issuance or repurchase of stock and the declaration and payment of dividends.

15.1.12.J Analyze the various methods for maintaining and valuing inventory (FIFO), LIFO, etc.) and describe their effect on financial statements.

15.1.12.K Describe, calculate, and journalize the sales and cost of sales including purchases, transportation costs, sales taxes, and trade discounts.

15.1.12.L Describe and explain the criteria used to determine expenses and journalize the expense transactions.

15.1.12.M Analyze and calculate gross pay and net pay, including regular and overtime wages, commission, and piece rate.

15.1.12.N Explain how the different forms of business ownership and business operations are reported on financial statements.

15.1.12.O Compare and contrast the accrual basis and the cash basis of accounting; assess the impact of each on the financial statements.

15.1.12.P Analyze and perform the reconciliation of accounts

15.1.12.Q Prepare financial statements (including a balance sheet, profit & loss and owner's equity) and understand their relevance.

15.1.12.R Explain the primary areas of analysis (trends, profitability, liquidity, capital structure) and the information that can be obtained from each.

15.1.12.S Analyze and perform a horizontal and vertical analysis of the income statement and balance sheet.

15.1.12.T Assess profitability, liquidity, and solvency by calculating and interpreting financial ratios.

15.1.12.U Assess capital structure by calculating and interpreting financial ratios.

15.1.12.V Analyze the use of industry averages in assessing the financial condition, operating results, profitability, liquidity, and capital structure.

15.1.12.W Analyze business activities using cash flow statements.

15.1.12.X Analyze and perform breakeven and cost benefit analyses to support financial decisions.

15.1.12.Y Determine and calculate taxable income and tax liability for both personal and business taxes.

15.1.12.Z Demonstrate an auditing procedure that provides assurance that financial records are accurate.