

# Accounting 1, 2

## High School

### Intermediate Level – Two Semesters

### Elective

#### 1. Subject Expectation

The student will develop the knowledge and skills necessary to manage the financial resources of a business using manual and computerized accounting methods

Essential Learning 1 (Learning Standard)	Complete and explain the purpose of the various steps in the accounting cycle
Critical Content	<p>a. define accounting and explain the purpose of the accounting system</p> <ul style="list-style-type: none"> <li>- sole proprietorship</li> <li>- partnership</li> <li>- corporation</li> </ul> <p>b. distinguish between different accounting principles and ascertain the source of these standards</p> <ul style="list-style-type: none"> <li>- GAAP (Generally Accepted Accounting Principles)</li> </ul> <p>c. demonstrate an understanding of the fundamental accounting equation</p> <ul style="list-style-type: none"> <li>- Assets = Liabilities + Owner's Equity</li> <li>- activities that change the accounting equation</li> </ul> <p>6.D.4 d. solve problems involving recipes or mixtures, financial calculations, and geometric similarity using ratios, proportions and percents</p> <p>e. classify items as assets, liabilities, and owner's equity</p> <ul style="list-style-type: none"> <li>- balance sheet</li> <li>- use of Chart of Accounts</li> </ul> <p>f. illustrate the purposes of the revenues, expense, and drawing accounts and illustrate their effects on owner's equity</p> <ul style="list-style-type: none"> <li>- use of T-Accounts</li> </ul> <p>g. analyze business transactions using source documents and describe the effect on the accounting equation</p> <ul style="list-style-type: none"> <li>- checks</li> <li>- memorandums</li> <li>- sales invoices</li> <li>- purchase invoices</li> <li>- cash register tapes</li> <li>- receipts</li> </ul> <p>h. explain double entry accounting and apply debit and credit rules when analyzing business transactions</p> <ul style="list-style-type: none"> <li>- purchase on account</li> <li>- sales on account</li> <li>- journal proofs</li> </ul>

- i. identify the purpose of the journal and the process of journalizing business transactions
  - general journal
  - sales journal
  - purchases journal
  - cash receipts journal
  - cash payments journal
- j. summarize the purpose of the ledger account and post information from the journal to the ledger
  - Cash Proofs
- k. prepare a trial-balance and explain its uses and limitations
- l. explain the purpose of adjusting entries
  - supplies inventory
  - value of pre-paid insurance
- m. examine the trial balance to determine the necessary adjustments to prepare financial statements
  - trial balance
  - debits and credits
- 6.B.4 n. select and use appropriate arithmetic operations in practical situations
  - calculating wages after taxes
  - developing a budget
  - balancing a checkbook
- o. prepare and explain the purposes of each financial statement and describe the way they articulate with each other
  - worksheet
  - income statement
  - balance sheet
  - statement of stockholders' equity
- p. recognize the purposes of the closing process and journalize and post closing entries
  - use manual and automated simulation projects to reinforce account cycle
- 10.A.4c q. predict from data using trend lines and past history with and without the use of technology
  - comparative income statements
  - comparative balance sheets
  - graphs and reports
- r. use spreadsheet and accounting to maintain accounting records and describe the differences between manual and computerized account systems
  - use of Automated Accounting Programs
  - Fitness Junction (Automated Simulation)

**Essential Learning 2  
(Learning Standard)**

**Apply generally accepted accounting principles to determine the value of assets, liabilities and owner's equity**

Critical Content

- a. describe and identify current and long-term assets and explain their impact on financial statements
- b. prepare bank reconciliation
  - simulation
- c. establish, maintain, and replenish petty cash
- d. identify cash control techniques
  - payroll
  - payroll register

- e. - employee earning record  
explain the benefits of technology in accounting
  - electronic funds transfer
  - automated teller machines
  - automated bill paying
  - use of a debit card
- f. proper use of credit card
  - video clips
- g. create and maintain subsidiary ledgers
  - accounts payable
  - accounts receivable
- h. apply appropriate accounting techniques for un-collectible accounts
  - writing off bad-debts
- i. establish and maintain accounts for receivable and related interest
  - notes receivable
  - interest receivable
- j. compare and evaluate inventory concepts and costing procedures and apply these concepts and procedures to merchandising and manufacturing businesses
  - LIFO
  - FIFO
  - weighted average
- k. show the purpose of depreciation
  - straight line
  - double-declining
- l. examine appropriate accounting concepts and techniques for
  - acquisition of property, plant, and equipment
  - depreciation of property, plant, and equipment
  - disposal of property, plant and equipment
  - use of Generally Accepted Accounting Principles (GAAP)
- m. maintain accounting records for short-term and long-term assets