

# **Introduction to Accounting 120**

**New  Brunswick**

**Department of Education  
Educational Programs & Services Branch**



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- Canadian Institute of Chartered Accountants
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## **Introduction**

The focus of Introduction to Accounting is to provide the essential understandings, economic framework, consumer skills and attitudes to successfully participate in a society influenced by financial and business decisions. Students will better manage personal finances, understand obligations of business owners and make informed decisions concerning life careers and choices. The intention of this course is to encourage students to further their education in post-secondary business studies.

## **Learning Activities**

Throughout this document, suggestions are provided for teaching and learning activities and practical applications. Sample forms and supplementary resources are provided in Appendices A-V. Students may complete assignments individually or in groups. Teachers are encouraged to use these suggestions as well as develop their own.

## **Primary Resource**

George Syme & Tim Ireland. Accounting 1. Sixth Edition. Toronto: Pearson Prentice Hall, 2002. ISBN: 0-13-092332-X

## **Teacher Supplementary Resource**

It is suggested that beginning teachers visit the online version of Introduction to Accounting at <http://nbvhs.nbed.nb.ca>. Teachers will find practical application materials that enhance instruction and learning.

## **NBCC Challenge For Credit**

In collaboration with the New Brunswick Department of Education, the New Brunswick Community College has agreed to provide credit to any student who, upon completion of this course, achieves a minimum of 70% on a challenge examination. NBCC will provide all examination material. The teacher from the participating school will administer the exam and return all documents in a sealed envelope to NBCC for evaluation. NBCC will contact the participating student directly with exam results. To ensure student exposure to all NBCC curriculum outcomes, the New Brunswick Department of Education has included two supplementary units. These units are not required for regular completion of curriculum outcomes.

## **Time Line Recommendation**

To ensure students complete all learning outcomes, the teacher should adhere to the time lines provided in Appendix A.

## **Pre-requisite**

None

## **Overview of Curriculum Outcomes**

Upon the completion of this course, students will meet the following outcomes:

- Identify and understand the essential need for and the various careers associated with financial management.
- Demonstrate comprehension of daily activities which comprise the accounting cycle for each fiscal period.
- Develop the ability to prepare financial documents using a spreadsheet application.
- Develop basic analytical skills used to make financial decisions.

## **Duration**

90 hours

**INTRODUCTION TO ACCOUNTING 120**

**GCO 1: At the end of this unit students will be able to demonstrate the necessity and basic activities of accounting in various forms of businesses.**

<b>Specific Outcomes</b>	<b>Links/Strategies</b>
<p>Students will be expected to:</p> <ol style="list-style-type: none"> <li>1. Identify and understand the need for accounting.</li> <li>2. Identify the five main activities involved in accounting: <ul style="list-style-type: none"> <li>▪ Gathering financial information</li> <li>▪ Preparing and collecting permanent records</li> <li>▪ Rearranging, summarizing and classifying financial information</li> <li>▪ Preparing information reports and summaries</li> <li>▪ Establishing controls to promote accuracy and honesty among employees</li> </ul> </li> <li>3. Identify the four types of business: <ul style="list-style-type: none"> <li>▪ Service</li> <li>▪ Merchandising</li> <li>▪ Manufacturing</li> <li>▪ Non-profit</li> </ul> </li> <li>4. Identify the three forms of business ownership: <ul style="list-style-type: none"> <li>▪ Sole proprietorship</li> <li>▪ Partnership</li> <li>▪ Corporation</li> </ul> </li> <li>5. Identify the 8 steps of the accounting cycle</li> <li>6. Examine various categories of careers/levels of accounting</li> </ol>	<p>1-2 As a class, compile a list of questions which can only be truly answered with accounting information.</p> <p>3 Using a chart with the four types of businesses as column headings, have students categorize various local businesses/industries into types.</p> <p>4 Have students identify the pros and cons of the various types of business ownership.</p> <p>5 Have students prepare a bulletin board or notebook diagram displaying the eight steps of the accounting cycle.</p> <p>6 Students prepare a bulletin board displaying and describing accounting careers. Students may use local newspapers, magazines and/or the Internet.</p>



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**GCO 1: At the end of this unit students will be able to demonstrate the necessity and basic activities of accounting in various forms of businesses.**

Assessment	Resources
<p>1-2 Evaluate student ability to compile a list of questions regarding their own personal financial position.</p> <p>1-2 Evaluate student ability to compile a list of questions generated by the owner of a small business and a large business.</p> <p>3 Brainstorm various local businesses, classifying each accordingly.</p> <p>4 For each type of ownership, discuss the:</p> <ul style="list-style-type: none"> <li>▪ Responsibility for the debts of the business</li> <li>▪ Advantages/disadvantages of shareholders/ investors</li> </ul> <p>5 Provide students with individual steps of the cycle and have them put them in the correct order.</p> <p>6 Using the classified ad of the local newspaper or the Internet, have students research and chart various accounting jobs. Students create a chart with the following headings: position, requirements, salary and education.</p> <p>Teacher created summative test (optional)</p>	<p>Local newspaper <i>Maclean's</i> <i>The Globe and Mail</i> <i>Time</i> (Canadian edition)</p> <p><a href="http://www.cga-canada.org">http://www.cga-canada.org</a> <a href="http://www.cga-nb.org">http://www.cga-nb.org</a> <a href="http://www.cma-canada.org">http://www.cma-canada.org</a> <a href="http://www.cica.ca">http://www.cica.ca</a> <a href="http://www.acoa.ca">http://www.acoa.ca</a></p> <p>Possible guest speakers:</p> <ul style="list-style-type: none"> <li>▪ Small business owner</li> <li>▪ Accountant</li> <li>▪ Lawyer</li> <li>▪ Non-profit organization representative</li> </ul> <p><a href="http://www.nbica.org">http://www.nbica.org</a></p> <p><a href="http://nbvhs.nbed.nb.ca">http://nbvhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 1</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a> <a href="http://www.quia.com">http://www.quia.com</a></p> <p>Appendix B: The Accounting Cycle</p>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 2: At the end of this unit students will be able to demonstrate an understanding of financial position and the preparation of a simple balance sheet.**

Specific Outcomes	Links/Strategies
<p>Students will be expected to:</p> <ol style="list-style-type: none"> <li>1. Define the terms asset, liability (claims against assets), capital, owner's equity and net worth.</li>   <li>2. Explain the concept of financial position.</li>   <li>3. Explain the fundamental accounting equation and show basic changes to one's financial position.</li>   <li>4. Identify and define the structure and elements of an account form balance sheet:               <ul style="list-style-type: none"> <li>▪ Balance sheet heading</li> <li>▪ Date format</li> <li>▪ Order of liquidity/retiring debt</li> <li>▪ Accounts rec. and accounts pay.</li> <li>▪ Abbreviations</li> <li>▪ Define terms debtor and creditor</li> <li>▪ Indenting</li> <li>▪ Columnar paper.</li> <li>▪ Ruled lines</li> <li>▪ Dollar signs</li> </ul> </li> </ol>	<ol style="list-style-type: none"> <li>1 Have students classify various items (business and/or personal) as assets or liabilities.</li>   <li>2 Have students calculate their own financial worth by determining the difference between the monetary value of personally owned assets and claims against those assets.</li>   <li>2 Provide exercises illustrating assets and liabilities (names and financial value) for fictitious persons. Students determine the fictitious individual's net worth.</li>   <li>3 Provide exercises giving two of the financial amounts for the fundamental accounting equation. Students determine the value of the third element.</li>   <li>3 Provide exercises illustrating baseline totals for asset, liability and owner's equity. Specify basic increases and/or decreases to the amounts of two elements of the equation. Students determine the new total for the remaining element.</li>   <li>4 Provide exercises listing the financial values of various assets and liabilities. Students determine capital and prepare a balance sheet.</li> </ol>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 2: At the end of this unit students will be able to demonstrate an understanding of financial position and the preparation of a simple balance sheet.**

Assessment	Resources
<p>1 Based on the student assignment, compile a class list of the assets and liabilities.</p> <p>1 Provide students with various assets and liabilities. Have students classify the items.</p> <p>2 List and discuss various student and/or business examples of personal net worth.</p> <p>3 Using previous examples of net worth calculation, establish the fundamental accounting equation.</p> <p>3 Evaluate examples of the fundamental accounting equations with an unknown value.</p> <p>3 Evaluate examples of the baseline exercises with unknown values.</p> <p>4 Considering the elements listed in specific curriculum outcome 4, evaluate students' ability to properly format a balance sheet.</p>	<p>CICA Handbook (possibly provided by local accounting firm)</p> <p>Possible guest speaker:</p> <ul style="list-style-type: none"> <li>▪ Personal credit manager</li> </ul> <p><a href="http://nbyhs.nbed.nb.ca">http://nbyhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 2</li> <li>▪ IT 110 online, material in Module 4: MS Office</li> <li>▪ IT 120 online, material in Excel Module</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a>  <a href="http://www.quia.com">http://www.quia.com</a></p> <p>Appendix C: FAE Items</p>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 2: At the end of this unit students will be able to demonstrate an understanding of financial position and the preparation of a simple balance sheet.**

<b>Specific Outcomes</b>	<b>Links/Strategies</b>
<p>5. Explain the purpose and need for generally accepted accounting principles (GAAP).</p> <p>6. Describe and explain the following GAAP's:</p> <ul style="list-style-type: none"><li>▪ The business entity concept</li><li>▪ The continuing concern concept</li><li>▪ The principle of conservatism</li></ul>	<p>5 Discuss the consequences of not following each of the three given principles.</p> <p>6 Have students create a section in their notebooks to record GAAP's as they are introduced.</p> <p>6 Invite a guest speaker to discuss personal use of credit and personal budgeting.</p>
<p>7. Demonstrate an understanding of basic data entry into a spreadsheet application.</p>	<p>7 Examine the basic features of a spreadsheet application:</p> <ul style="list-style-type: none"><li>▪ Title bar</li><li>▪ Toolbars</li><li>▪ Icon</li><li>▪ Formula bar</li><li>▪ Cell</li><li>▪ Cell address</li></ul> <p>7 Enter numbers into cells and create basic manipulative formulas.</p> <p>7 Provide balance sheet information. Students enter specific data into specified cells to create an electronically formatted balance sheet.</p>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 2: At the end of this unit students will be able to demonstrate an understanding of financial position and the preparation of a simple balance sheet.**

<b>Assessment</b>	<b>Resources</b>
<p>5 Evaluate student discussion of “lawless” accounting in business.</p> <p>6 Students explain why it is important to keep business records separate from personal records.</p> <p>6 Students discuss how/why business decisions are based on the idea that it will continue to grow.</p> <p>6 Students discuss the importance of realistic/conservative business decisions. Provide students with an example of an unrealistic personal budget. Discuss the consequences/implications of poor decisions.</p> <p>6 Complete speaker reviews under the following headings.</p> <ul style="list-style-type: none"> <li>▪ Name of Speaker</li> <li>▪ Organization Represented</li> <li>▪ Purpose of Organization</li> <li>▪ Key Topics of the Presentation (4-5)</li> <li>▪ New Facts or Ideas Learned</li> <li>▪ Rate the Speaker (1-10) with Reasons</li> </ul> <p>7 Students complete an electronic balance sheet using previously completed exercises.</p> <p>Teacher created summative test</p>	<p>CICA Handbook (possibly provided by local accounting firm)</p> <p>Possible guest speaker:</p> <ul style="list-style-type: none"> <li>▪ Personal credit manager</li> </ul> <p><a href="http://nbvhs.nbed.nb.ca">http://nbvhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 2</li> <li>▪ IT 110 online, material in Module 4: MS Office</li> <li>▪ IT 120 online, material in Excel Module</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a>  <a href="http://www.quia.com">http://www.quia.com</a></p> <p>Appendix C: FAE Items</p>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 3: At the end of this unit students will be able to demonstrate an understanding of changes in financial position and their effect on the balance sheet.**

Specific Outcomes	Links/Strategies
<p>Students will be expected to:</p> <ol style="list-style-type: none"> <li>1. Define transaction.</li> <li>2. Identify the impact of a transaction on the financial position of a person and/or business.</li> <li>3. Identify what is and what is not a transaction.</li> <li>4. Identify and define basic components of source documents.</li> <li>5. Explain the purpose and need for the objectivity principle (GAAP).</li> </ol>	<ol style="list-style-type: none"> <li>1 Provide examples of typical business transactions.</li> <li>2 Provide baseline financial figures for a fundamental accounting equation. Provide a transaction. Have students calculate the new financial position.</li> <li>3 Provide examples of situations which may or may not be financial transactions. Have students determine which will alter the financial position of the business.</li> <li>4 Provide realistic examples of source documents. Have students identify: <ul style="list-style-type: none"> <li>▪ The vendor</li> <li>▪ Terms of transaction (payment)</li> <li>▪ Date of transaction</li> <li>▪ Invoice number</li> </ul> </li> <li>4 Have students create a transaction for both the vendor and the purchaser realizing that the source document is the same for both companies.</li> <li>4 Discuss the need for source documents, emphasizing that every accounting event requires objective evidence.</li> <li>5 Students define the objectivity principle in the established GAAP section of their notebook.</li> </ol>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 3: At the end of this unit students will be able to demonstrate an understanding of changes in financial position and their effect on the balance sheet.**

Assessment	Resources
<p>1 List and discuss various business transactions.</p> <p>2 Evaluate students' ability to determine a new financial position during a series of transactions.</p> <p>3 Have students compile a list of transactions that do not affect the financial position of a business and give reasons why.</p> <p>4 Have students complete an assignment matching terms to a source document.</p> <p>4 Have students design a company source document incorporating the various identifiable components.</p> <p>4 Using the source document previously created, have students identify the transaction of the vendor and purchaser.</p> <p>5 Provide students with a list of possible scenarios where the objectivity principle hasn't been followed, e.g.:</p> <ul style="list-style-type: none"> <li>▪ Cheque stub not completed</li> <li>▪ Overtime paid with cash</li> <li>▪ Lost gas receipt</li> </ul> <p>Students discuss the possible consequences of such oversights.</p>	<p>Source document samples:</p> <ul style="list-style-type: none"> <li>▪ Sales invoice</li> <li>▪ Cash sales slip</li> <li>▪ Cheque</li> <li>▪ Purchase invoice</li> </ul> <p>CICA Handbook (possibly provided by local accounting firm)</p> <p><a href="http://nbvhs.nbed.nb.ca">http://nbvhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 3</li> <li>▪ IT 110 online, material in Module 4: MS Office</li> <li>▪ IT 120 online, material in Excel Module</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a>  <a href="http://www.quia.com">http://www.quia.com</a></p> <p>Appendix D: Transaction Analysis Sheet</p>





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**GCO 3: At the end of this unit students will be able to demonstrate an understanding of changes in financial position and their effect on the balance sheet.**

<b>Assessment</b>	<b>Resources</b>
<p>6 Evaluate students' ability to complete a transaction analysis sheet.</p> <p>6 Have students complete a chart listing the steps of transaction analysis.</p> <p>7 Assess students' ability to complete an electronic transaction analysis sheet.</p> <p>7 Have students make adjustments to individual transactions noting the efficiency of formulated (automatic) balancing.</p> <p>Teacher created summative test</p>	<p>Source document samples:</p> <ul style="list-style-type: none"> <li>▪ Sales invoice</li> <li>▪ Cash sales slip</li> <li>▪ Cheque</li> <li>▪ Purchase invoice</li> </ul> <p>CICA Handbook (possibly provided by local accounting firm)</p> <p><a href="http://nbvhs.nbed.nb.ca">http://nbvhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 3</li> <li>▪ IT 110 online, material in Module 4: MS Office</li> <li>▪ IT 120 online, material in Excel Module</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a>  <a href="http://www.quia.com">http://www.quia.com</a></p> <p>Appendix D: Transaction Analysis Sheet</p>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 4: At the end of this unit students will be able to demonstrate an understanding of debit and credit theory and journalizing.**

<b>Specific Outcomes</b>	<b>Links/Strategies</b>
<p>Students will be expected to:</p> <ol style="list-style-type: none"> <li>1. Define the term account and ledger: <ul style="list-style-type: none"> <li>▪ Loose leaf ledger book</li> <li>▪ Card ledger</li> <li>▪ Computer ledger</li> </ul> </li> <li>2. Understand and use T-accounts to establish a ledger.</li> <li>3. Demonstrate an understanding of debit/credit theory.</li> <li>4. Define <ul style="list-style-type: none"> <li>▪ Journal/journalizing</li> <li>▪ Book of original entry</li> <li>▪ Opening entry</li> </ul> </li> </ol>	<ol style="list-style-type: none"> <li>1 Discuss the various forms of an account ledger and how each account has its own “page” in a ledger.</li> <li>2 Provide a simple balance sheet. Illustrate the fundamental accounting equation in the form of a T-account. Identify how accounts which fall on the left side (assets) will have a normal balance on the left side of the T-account. Accounts which fall on the right side (liabilities &amp; owner’s equity) will have a normal balance on the right side of the T-account.</li> <li>3 Stress the fact that debit means left side and credit means right-side. Ensure students understand that there are no negative or positive connotations attached to these terms.</li> <li>3 Provide activities which expand upon the previous strategy by demonstrating how accounts would be increased/decreased using T-accounts. Have students determine the new account totals.</li> <li>3 Have students analyze transactions using a chart with the following headings: <ul style="list-style-type: none"> <li>▪ Account Names</li> <li>▪ Account Classification</li> <li>▪ Increase/Decrease</li> <li>▪ Debit/Credit</li> <li>▪ Amount</li> </ul> </li> <li>3 Discuss the term “double entry accounting” and its necessity.</li> <li>4 Define the rationale for journalizing business transactions</li> </ol>

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**GCO 4: At the end of this unit students will be able to demonstrate an understanding of debit and credit theory and journalizing.**

Assessment	Resources
<p>1 Have students create an image of a loose-leaf ledger for a fictitious company.</p> <p>2 Provide students with balance sheets. Evaluate the ability of students to organize small T-accounts within a large balance sheet T-account (see Appendix F).</p> <p>3 Provide a T-account ledger with only account names. Using various transactions, have students indicate the effect on accounts by recording a + or – sign on the left or right side. Keep in mind that the fundamental accounting equation must remain balanced.</p> <p>3 Using previously completed transaction analysis sheets, have students:</p> <ul style="list-style-type: none"> <li>▪ Establish a T-account ledger with opening balances on the correct side.</li> <li>▪ Analyze each transaction, determining accounts and if account will increase/decrease.</li> <li>▪ Record the increase or decrease on the correct side of the T-accounts.</li> <li>▪ Once all transactions are entered, determine new account total.</li> <li>▪ Verify account totals with the transaction analysis sheet.</li> </ul> <p>4 Classroom discussion on the necessity for large businesses to compile a listing of individual transactions</p> <p>4 Discuss how a business would first establish its accounts using the initial balance sheet as a source document to prepare the opening journal entry.</p>	<p>Loose leaf ledger book—can be purchased at stationery store</p> <p><a href="http://nbyhs.nbed.nb.ca">http://nbyhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 4</li> <li>▪ IT 110 online, material in Module 4: MS Office</li> <li>▪ IT 120 online, material in Excel Module</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a>  <a href="http://www.quia.com">http://www.quia.com</a></p> <p>Appendix E: Accounting Equation T-Account  Appendix F: Balance Sheet T-Account  Appendix G: Debit Credit Theory Chart  Appendix H: Journal page  Appendix I: Trial Balance  Appendix J: T-Account Ledger</p>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 4: At the end of this unit students will be able to demonstrate an understanding of debit and credit theory and journalizing.**

Specific Outcomes	Links/Strategies
<p>5. Demonstrate an understanding of the journalizing process.</p>	<p>5 Discuss the proper format of the general journal:</p> <ul style="list-style-type: none"> <li>▪ Page number</li> <li>▪ Date</li> <li>▪ Indentations</li> <li>▪ Blank line</li> <li>▪ Debit/credit</li> <li>▪ Compound entries</li> <li>▪ Abbreviations</li> <li>▪ Explanations</li> <li>▪ Balanced entries</li> </ul> <p>5 Using a beginning balance sheet of a new business, students record the opening journal entry.</p> <p>5 Provide various exercises (may use previous exercises) where students practice entering transactions onto a general journal.</p>
<p>6. Demonstrate an understanding and necessity of the trial balance.</p>	<p>6 Using previously completed exercises, have students prepare a trial balance.</p> <p>6 Discuss various methods for error detection. Provide examples of erroneous ledgers and/or trial balances. Students determine errors.</p>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 4: At the end of this unit students will be able to demonstrate an understanding of debit and credit theory and journalizing.**

<b>Assessment</b>	<b>Resources</b>
<p>5 Provide a list of transactions. Evaluate students' ability to journalize.</p>	<p>Loose leaf ledger book—can be purchased at stationery store</p> <p><a href="http://nbvhs.nbed.nb.ca">http://nbvhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 4</li> <li>▪ IT 110 online, material in Module 4: MS Office</li> <li>▪ IT 120 online, material in Excel Module</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a>  <a href="http://www.quia.com">http://www.quia.com</a></p> <p>Appendix E: Accounting Equation T-Account  Appendix F: Balance Sheet T-Account  Appendix G: Debit Credit Theory Chart  Appendix H: Journal page  Appendix I: Trial Balance  Appendix J: T-Account Ledger</p>
<p>6 Evaluate students' ability to prepare a proper trial balance.</p> <p>6 Students complete a comprehensive exercise:</p> <ul style="list-style-type: none"> <li>▪ Provide students with an opening balance sheet and a list of transactions.</li> <li>▪ Students journalize the opening position and each transaction.</li> <li>▪ Transactions are transferred to the T-account ledger.</li> <li>▪ Once all transactions are transferred, students prepare a trial balance.</li> </ul> <p>6 Provide a list of transactions that were recorded incorrectly. Students complete a chart with the following headings:</p> <ul style="list-style-type: none"> <li>▪ Trial balance will not balance—debits are greater than credits by (\$\$)</li> <li>▪ Trial balance will not balance—credits are greater than debits by (\$\$)</li> <li>▪ Trial balance will balance but will not be correct.</li> </ul>	

**INTRODUCTION TO ACCOUNTING 120**

**GCO 4: At the end of this unit students will be able to demonstrate an understanding of debit and credit theory and journalizing.**

<b>Specific Outcomes</b>	<b>Links/Strategies</b>
7. Demonstrate an understanding of basic trial balance preparation using a spreadsheet application.	7 Using previously completed exercises, have students create a properly formatted trial balance. Students should utilize the formula function when calculating balances. Students should include a section for error detection.

**INTRODUCTION TO ACCOUNTING 120**

**GCO 4: At the end of this unit students will be able to demonstrate an understanding of debit and credit theory and journalizing.**

Assessment	Resources
<p>7 Assess students' ability to complete an electronic trial balance.</p> <p>7 Have students format a teacher created trial balance that contains errors. Have students create a section for error detection which displays the difference between the debit and credit columns. Students should use error detection skills to locate and correct any inaccuracies.</p> <p>Teacher created summative test</p>	<p>Loose leaf ledger book—can be purchased at stationery store</p> <p><a href="http://nbvhs.nbed.nb.ca">http://nbvhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 4</li> <li>▪ IT 110 online, material in Module 4: MS Office</li> <li>▪ IT 120 online, material in Excel Module</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a>  <a href="http://www.quia.com">http://www.quia.com</a></p> <p>Appendix E: Accounting Equation T-Account  Appendix F: Balance Sheet T-Account  Appendix G: Debit Credit Theory Chart  Appendix H: Journal page  Appendix I: Trial Balance  Appendix J: T-Account Ledger</p>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 5: At the end of this unit students will be able to demonstrate an understanding of owner's equity, income statements & report form balance sheets.**

<b>Specific Outcomes</b>	<b>Links/Strategies</b>
<p>Students will be expected to:</p> <ol style="list-style-type: none"> <li>Define the terms revenue, expense, drawings and contra account.</li> <li>Explain the purpose and need for the following GAAP's: <ul style="list-style-type: none"> <li>The revenue recognition convention principle</li> <li>The matching principle</li> <li>The time period concept</li> </ul> </li> <li>Identify and define the structure and elements of an income statement: <ul style="list-style-type: none"> <li>Proper sequence of an income statement heading</li> <li>Revenue and expense sections of an income statement</li> <li>Proper order of accounts listed on an income statement</li> </ul> </li> <li>Identify and define the structure and elements of a report form balance sheet with an expanded owner's equity section.</li> </ol>	<ol style="list-style-type: none"> <li>Have students examine the components of owner's equity transactions. Classify as revenue, expense, capital or drawing and determine if the effect is an increase/decrease in Owner's Equity.</li> <li>Provide exercises which analyze transactions using a chart with the following headings: <ul style="list-style-type: none"> <li>Total Assets</li> <li>Total Liabilities</li> <li>Owner's Equity</li> <li>Change in Equity (+ -)</li> <li>Revenue?/Expense?/Drawings</li> </ul> </li> <li>Discuss the necessity for businesses to report an accurate reflection of income or loss. Examine how businesses could manipulate their "books" by overstating/ understating revenue/expenses for malicious purposes.</li> <li>Students define principles/concepts in the established GAAP section of their notebook.</li> <li>Provide exercises containing account balances (may use a trial balance). Have students prepare income statements.</li> <li>Provide exercises using a T-account ledger and/or trial balance; have students prepare report form balance sheets.</li> </ol>



## INTRODUCTION TO ACCOUNTING 120

**GCO 5: At the end of this unit students will be able to demonstrate an understanding of owner's equity, income statements & report form balance sheets.**

Assessment	Resources
<p>1 Classroom discussion: Have students create a fictional company and discuss the effect of increasing revenue, expenses, capital and drawing.</p> <p>1 Have students analyze transactions, noting that the fundamental accounting equation stays in balance as transactions are evaluated.</p> <p>1 Discuss the concept of all contra accounts. Students should realize that the normal balance for drawings and expenses is "opposite" to the normal balance for an equity account.</p> <p>2 Provide a list of situations where revenue or expense has been incorrectly reported. Evaluate students' ability to correct the errors.</p> <p>3 Evaluate students' ability to use the correct form and format in preparing income statements. Use the following rubric:</p> <ul style="list-style-type: none"> <li>▪ Heading, date format, subheading, indentation, account order, dollar signs (optional), rulings</li> </ul> <p>4 Evaluate students' ability to correctly format report form balance sheets. Use the following rubric:</p> <ul style="list-style-type: none"> <li>▪ Heading, date format, subheading, indentation, account order, dollar signs (optional), rulings</li> </ul>	<p><a href="http://nbvhs.nbed.nb.ca">http://nbvhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 5</li> <li>▪ IT 110 online, material in Module 4: MS Office</li> <li>▪ IT 120 online, material in Excel Module</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a>  <a href="http://www.quia.com">http://www.quia.com</a></p> <p>Appendix K: Expanded Analysis Chart.  Appendix L: Income Statement  Appendix M: Balance Sheet Report Form  Appendix N: Equity Equation Worksheet  Appendix O: Equity Equation Worksheet- Consecutive Years  Appendix P: T-Account Ledger Expanded Equity</p>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 5: At the end of this unit students will be able to demonstrate an understanding of owner's equity, income statements & report form balance sheets.**

Specific Outcomes	Links/Strategies
<p>5. Demonstrate an understanding of the chart of accounts.</p> <p>6. Demonstrate an understanding of basic income statement and report form balance sheet preparation using an electronic spreadsheet application.</p>	<p>4 Using the following column headings, students solve the equity equation with different unknowns:</p> <ul style="list-style-type: none"> <li>▪ Opening Capital</li> <li>▪ Net Income/Loss</li> <li>▪ Drawings</li> <li>▪ Ending Capital</li> </ul> <p>4 Provide exercises where students solve the equity equation with various unknowns and carry the ending capital to the next year as the beginning capital</p> <p>5 Provide various exercises where students are given a list of ledger accounts in alphabetical order. Students must prepare a chart of accounts.</p> <p>6 Using previously completed exercises, students create a properly formatted electronic income statement and report form balance sheet. Students should utilize the formula function when calculating balances.</p> <p>6 Teacher provides electronically created income statement and balance sheet containing various errors. Students must locate and correct errors.</p>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 5: At the end of this unit students will be able to demonstrate an understanding of owner's equity, income statements & report form balance sheets.**

Assessment	Resources
<p>4 Have students complete various exercises where they must solve for the missing variable in the expanded owner's equity section.</p> <p>4 Using data from previously created trial balance sheets, students will predict the beginning capital for the next reporting period.</p> <p>5 Provide a listing of various ledger account names. Have students create a properly formatted chart of accounts.</p> <p>6 Have students complete both an electronic income statement and report form balance sheet. Have students alter the values to see how the formulas allow for easy updating of information.</p> <p>6 Using teacher created electronic income statements and balance sheets with both numerical errors and formulaic errors, students should make corrections and save the corrected sheets.</p> <p>Teacher created summative test</p>	<p><a href="http://nbvhs.nbed.nb.ca">http://nbvhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 5</li> <li>▪ IT 110 online, material in Module 4: MS Office</li> <li>▪ IT 120 online, material in Excel Module</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a>  <a href="http://www.quia.com">http://www.quia.com</a></p> <p>Appendix K: Expanded Analysis Chart.  Appendix L: Income Statement  Appendix M: Balance Sheet Report Form  Appendix N: Equity Equation Worksheet  Appendix O: Equity Equation Worksheet-Consecutive Years  Appendix P: T-Account Ledger Expanded Equity</p>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 6: At the end of this unit students will be able to demonstrate an understanding of source documents and accounting for sales taxes.**

Specific Outcomes	Links/Strategies
<p>Students will be expected to:</p> <ol style="list-style-type: none"> <li>1. Identify and explain specific source documents: <ul style="list-style-type: none"> <li>▪ Cash sales slip</li> <li>▪ Sales invoice</li> <li>▪ Dual purpose sales slip</li> <li>▪ Purchase invoice</li> <li>▪ Cheque copies</li> <li>▪ Cash receipts daily summary</li> <li>▪ Bank advice</li> </ul> </li>   <li>2. Explain the purpose and need for the cost principle.</li>   <li>3. Define the following terms: <ul style="list-style-type: none"> <li>▪ Goods and Services Tax</li> <li>▪ Value Added Tax</li> <li>▪ Provincial Sales Tax</li> <li>▪ Harmonized Sales Tax</li> </ul> </li>   <li>4. Identify and explain theories of accounting for PST.</li>   <li>5. Identify and explain theories of accounting for the GST/HST remittance.</li> </ol>	<ol style="list-style-type: none"> <li>1 Provided with various source documents, students prepare the related journal entries.</li>   <li>2 Discuss and have students record the cost principle in the established GAAP section of their notebook.</li>   <li>3 As a class, research various types of tax in Canada.</li>   <li>4 As a class, discuss why PST is only accounted for in the books of the seller and when it is remitted to the government.</li>   <li>5 As a class, discuss and display the accounting from the position of both the seller and purchaser. Note that the purchaser is able to recover all GST paid on purchases and that the seller must remit all GST collected.</li>   <li>5 As a class, discuss how and when GST/HST is remitted to the government.</li>   <li>5 Provide various exercises where students account for the collection of sales tax and the remittance of GST payable.</li> </ol>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 6: At the end of this unit students will be able to demonstrate an understanding of source documents and accounting for sales taxes.**

Assessment	Resources
<p>1 Using source documents, evaluate students' ability to identify the following:</p> <ul style="list-style-type: none"> <li>▪ Transaction date</li> <li>▪ Vendor/seller</li> <li>▪ Terms</li> <li>▪ Unit cost</li> <li>▪ Subtotal</li> <li>▪ Taxes</li> <li>▪ Total cost</li> </ul> <p>1 Evaluate students' ability to journalize transactions in the books of the sender/recipient.</p> <p>2 Using relevant scenarios, discuss the consequences for businesses not abiding by the cost principle.</p> <p>3 Evaluate student produced reports/projects investigating tax in Canada.</p> <p>4 Provide various exercises where students account for the collection of sales tax and the remittance of PST payable.</p> <p>5 Using T-accounts for HST/GST payable/recoverable, evaluate students' ability to journalize remittance entries.</p> <p>5 Discuss the forms used by businesses when remitting tax.</p> <p>5 Discuss the format of the balance sheet in both the remitting/refund position for GST/HST.</p> <p>Teacher created summative test</p>	<p>Local businesses will often provide samples of various source documents which can be used for instructional purposes.</p> <p>Newspaper/magazine reports on businesses not following specific GAAP's:</p> <ul style="list-style-type: none"> <li>▪ Local newspaper</li> <li>▪ <i>Maclean's</i></li> <li>▪ <i>The Globe and Mail</i></li> <li>▪ <i>Time</i> (Canadian edition)</li> </ul> <p>Possible guest speaker:</p> <ul style="list-style-type: none"> <li>▪ Representative from HRDC, Human Resource Development Canada; subject-tax</li> </ul> <p><a href="http://nbvhs.nbed.nb.ca">http://nbvhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 6</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a>  <a href="http://www.quia.com">http://www.quia.com</a></p>



**INTRODUCTION TO ACCOUNTING 120**

**GCO 7: At the end of this unit students will be able to demonstrate an understanding of posting to the general ledger.**

Assessment	Resources
<p>1 As a class, discuss the ramifications of using only T-accounts in a large company.</p> <p>2 Provide a reinforcement exercise where students are given a list of account names and are asked to classify and assign appropriate account numbers.</p> <p>2 Evaluate students' ability to open general ledger accounts when provided with a completed chart of accounts and ledger cards.</p> <p>2 Students are provided with completed T-accounts and blank general ledger accounts.</p> <ul style="list-style-type: none"> <li>▪ Students will open general ledger accounts.</li> <li>▪ Students will transfer balances from the completed T-accounts to their respective general ledger account.</li> </ul> <p>3 Provide students with a completed General Journal Page and a General Ledger. Evaluate student ability to post the transactions from the General Journal to the General Ledger.</p> <p>4 Evaluate students' ability to establish a chart of accounts, journalize and post the initial financial position of a business from an opening balance sheet.</p> <p>4 Provide a reinforcement activity that begins at the start of the accounting cycle. Students will complete the chart of accounts, open the general ledger accounts, journalize the transactions, and post the transactions to the general ledger.</p>	<p>Local company may provide a chart of accounts for instructional display purposes.</p> <p><a href="http://nbvhs.nbed.nb.ca">http://nbvhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 7</li> <li>▪ IT 110 online, material in Module 4: MS Office</li> <li>▪ IT 120 online, material in Excel Module</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a>  <a href="http://www.quia.com">http://www.quia.com</a></p> <p>Appendix Q: Acct Cycle 3 Steps  Appendix R: Ledger</p>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 7: At the end of this unit students will be able to demonstrate an understanding of posting to the general ledger.**

<b>Specific Outcomes</b>	<b>Links/Strategies</b>
<p>5. Demonstrate an understanding of the three reasons for cross referencing:</p> <ul style="list-style-type: none"><li>▪ Ledger account entries can be easily traced to their source in the general journal.</li><li>▪ Entries in the journal can be traced to the accounts where they have been posted.</li><li>▪ If posting is interrupted, it is easy to remember where to begin again.</li></ul> <p>6. Demonstrate an understanding of the proper accounting method(s) for error correction.</p> <p>7. Demonstrate an understanding of the proper accounting procedures for forwarding balances in a general ledger.</p>	<p>5 Discuss the information made available to a business by properly posted entries. Have students explain what process would have to be followed to answer accounting questions without the posting process.</p> <p>6 Demonstrate how to correct errors which have been found immediately (drawing a line through an incorrect number).</p> <p>6 Provide exercises where students determine the effects of an error that is not corrected immediately. Demonstrate how to prepare a correcting journal entry for such errors.</p> <p>6 Reinforce prior learning of the error detection process.</p> <p>7 Provide various exercises where students must carry a balance forward to a new general ledger page.</p>



**INTRODUCTION TO ACCOUNTING 120**

**GCO 7: At the end of this unit students will be able to demonstrate an understanding of posting to the general ledger.**

Assessment	Resources
<p>5 Students are provided with scenarios in which they will use cross referencing to reinforce the importance of being able to answer accounting questions.</p> <p>6 Provide students with a journal, ledger and trial balance. All of these items contain various types of errors that will require the students to use all the techniques that were taught. After students have completed all corrections, they will complete a corrected trial balance to verify their work.</p> <p>7 Evaluate students' ability to use proper format when forwarding account balances and other necessary information from various completed ledger cards.</p> <p>7 Using previously completed exercises, assess students' ability to post transactions, find errors and be able to answer specific accounting questions.</p> <p>Teacher created summative test</p>	<p>Local company may provide a chart of accounts for instructional display purposes.</p> <p><a href="http://nbvhs.nbed.nb.ca">http://nbvhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 7</li> <li>▪ IT 110 online, material in Module 4: MS Office</li> <li>▪ IT 120 online, material in Excel Module</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a>  <a href="http://www.quia.com">http://www.quia.com</a></p> <p>Appendix Q: Acct Cycle 3 Steps  Appendix R: Ledger</p>



**INTRODUCTION TO ACCOUNTING 120**

**GCO 8: At the end of this unit students will be able to demonstrate an understanding of the six-column worksheet, the preparation of a classified balance sheet and income statement and how financial decisions are based on these documents.**

Assessment	Resources
<p>1 Provide simple exercises where students post entries to an accounts receivable subsidiary ledger, accounts payable subsidiary ledger and their control accounts. Students then prepare an accounts receivable summary and an accounts payable summary. Evaluate students' understanding of:</p> <ul style="list-style-type: none"> <li>▪ The separation of accounting tasks</li> <li>▪ The necessity of balance between subsidiary ledgers and the control account</li> <li>▪ The flow of information/communication (source documents) with a three-ledger system</li> <li>▪ The process and purpose of preparing a summary report</li> </ul> <p>2 Provide students with a list of financial documents studied to date. Evaluate students' ability to differentiate working papers and formal financial statements.</p> <p>3 Evaluate students' ability to properly complete a six-column worksheet.</p> <p>4 Evaluate students' ability to categorize various assets and liabilities.</p>	<p><a href="http://nbyhs.nbed.nb.ca">http://nbyhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 8</li> <li>▪ IT 110 online, material in Module 4: MS Office</li> <li>▪ IT 120 online, material in Excel Module</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a>  <a href="http://www.quia.com">http://www.quia.com</a></p> <p>Appendix S: Worksheet</p>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 8: At the end of this unit students will be able to demonstrate an understanding of the six-column worksheet, the preparation of a classified balance sheet and income statement and how financial decisions are based on these documents.**

<b>Specific Outcomes</b>	<b>Links/Strategies</b>
5. Demonstrate an understanding of the preparation of a formal income statement and classified balance sheet.	5 Using previously completed worksheets, students prepare formal income statements and classified balance sheets.
6. Demonstrate an understanding of the first six steps of the accounting cycle.	6 Students complete a comprehensive exercise beginning with journalizing and concluding with the preparation of financial statements.
7. Demonstrate an understanding of worksheet, formal income statement and classified balance sheet preparation using a spreadsheet application.	7 Using new or previously completed exercises, have students complete a worksheet, formal income statement and classified balance sheet. Students should utilize the formula function to determine balances.

## INTRODUCTION TO ACCOUNTING 120

**GCO 8: At the end of this unit students will be able to demonstrate an understanding of the six-column worksheet, the preparation of a classified balance sheet and income statement and how financial decisions are based on these documents.**

Assessment	Resources
<p>5 Evaluate student comprehension of net income/loss as it appears on the worksheet. Ask students, “If the debit column of the income statement columns is greatest, has the company experienced a profit or a loss?”</p> <p>5 Evaluate students’ ability to properly prepare a formal income statement and classified balance sheet. Assess:</p> <ul style="list-style-type: none"> <li>▪ Proper date</li> <li>▪ Headings</li> <li>▪ Classifications</li> <li>▪ Subtotalling</li> <li>▪ Indenting</li> </ul> <p>6 Provide students with an opening financial position—balance sheet and a list of journal entries. Evaluate students’ ability to complete the first six steps of the accounting cycle.</p> <p>7 Using previously completed exercises, assess students’ ability to complete an electronic worksheet. Ensure students understand how to use formula functions for data manipulation.</p> <p>7 Using previously completed exercises, assess students’ ability to complete an electronic income statement and balance sheet.</p> <p>Teacher created summative test</p>	<p><a href="http://nbvhs.nbed.nb.ca">http://nbvhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 8</li> <li>▪ IT 110 online, material in Module 4: MS Office</li> <li>▪ IT 120 online, material in Excel Module</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a> <a href="http://www.quia.com">http://www.quia.com</a></p> <p>Appendix S: Worksheet</p>



## INTRODUCTION TO ACCOUNTING 120

**GCO 9: At the end of this unit students will be able to demonstrate an understanding of adjusting entries, closing entries, depreciation, the expanded worksheet and the preparation of a post-closing trial balance.**

Assessment	Resources
<p>1 Complete a review of guest speaker under the following headings.</p> <ul style="list-style-type: none"> <li>▪ Name of Speaker</li> <li>▪ Organization Represented</li> <li>▪ Purpose of Organization</li> <li>▪ 4-5 Key Topics of the Presentation</li> <li>▪ New Facts or Ideas Learned</li> <li>▪ Rate the Speaker (1-10) with Reasons</li> </ul> <p>2 Provide students with various examples and have them identify which of the three GAAP's were violated.</p> <p>3 Provide prepaid expense details. Evaluate students' ability to expense used portions of the assets.</p> <p>3 Provide various exercises where students must complete an inventory sheet for supplies. Journalize and post the adjusting entries Evaluation of various exercises and/or assignments.</p> <p>3 Provide exercises where both the trial balance and the closing inventory values for prepaid assets are given. Have students determine the expense amount. Journalize and post the adjusting entry.</p> <p>3 Provide scenarios where a business receives late invoices. Evaluate students' ability to prepare the proper adjusting entry.</p> <p>4-5 Evaluate students' ability to determine and journalize depreciation.</p>	<p>Guest speaker—auditor</p> <p><a href="http://nbvhs.nbed.nb.ca">http://nbvhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 9</li> <li>▪ IT 110 online, material in Module 4: MS Office</li> <li>▪ IT 120 online, material in Excel Module</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a> <a href="http://www.quia.com">http://www.quia.com</a></p> <p>Appendix T: Insurance Time Line Appendix U: Worksheet 9 Column Appendix V: Closing Entries</p>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 9: At the end of this unit students will be able to demonstrate an understanding of adjusting entries, closing entries, depreciation, the expanded worksheet and the preparation of a post-closing trial balance.**

Specific Outcomes	Links/Strategies
<p>5. Identify and understand the need to adjusting for depreciation of:</p> <ul style="list-style-type: none"> <li>▪ Equipment</li> <li>▪ Buildings</li> <li>▪ Automobiles</li> </ul> <p>6. Identify and define the structure and elements of an expanded worksheet.</p> <p>7. Identify and understand the preparation of a classified balance sheet and income statement with adjustment accounts.</p> <p>8. Demonstrate an understanding of the necessity and the preparation of closing entries.</p> <p>9. Define the terms :</p> <ul style="list-style-type: none"> <li>▪ Nominal/temporary account</li> <li>▪ Real/permanent account</li> <li>▪ Income summary/revenue and expense summary</li> </ul> <p>10. Demonstrate an understanding of the process of journalizing and posting closing entries.</p>	<p>4-5 Provide various exercises where students use the declining balance method to determine the adjustment amounts. Journalize and post the adjusting entry.</p> <p>6 Provide various exercises where students are provided with a trial balance and adjustment information. Students must complete adjustment calculations and complete an expanded worksheet.</p> <p>7 Using previously completed expanded worksheets with adjustments, have students prepare classified balance sheets and income statements.</p> <p>7 As a class or group, discuss the importance of yearly comparison of financial position. Determine how this information assists in sound business decision-making.</p> <p>8 Discuss how closing entries update the owner’s equity section of a balance sheet.</p> <p>9 Students record definitions in notebook.</p> <p>10 Provide exercises where students use T-accounts and the expanded owner’s equity section of a balance sheet to “close” the expense and revenue accounts to Income Summary. Then “close” the Income Summary and Drawing accounts to Capital, resulting in the adjusted capital amount.</p> <p>10 Using previously completed expanded worksheets, have students journalize and post closing entries.</p>



**INTRODUCTION TO ACCOUNTING 120**

**GCO 9: At the end of this unit students will be able to demonstrate an understanding of adjusting entries, closing entries, depreciation, the expanded worksheet and the preparation of a post-closing trial balance.**

Assessment	Resources
<p>6 Evaluate students' ability to properly format an eight-column worksheet with adjustments for prepaid expenses and depreciation.</p> <p>7 Assess the format of student produced financial statements, concentrating on the classification of adjustment accounts.</p> <p>7 As a class, create a list of questions answered by year ending financial statements.</p> <p>8 Using various scenarios, evaluate students' knowledge of the importance of closing.</p> <p>9 Using a list of accounts, have students classify each as nominal or real.</p> <p>10 Using a T-account ledger, pre-closed balance sheet and income statement, demonstrate and evaluate the closing process.</p> <p>10 Use criteria referencing to evaluate closing entries prepared from the worksheet.</p>	<p>Guest speaker—auditor</p> <p><a href="http://nbvhs.nbed.nb.ca">http://nbvhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 9</li> <li>▪ IT 110 online, material in Module 4: MS Office</li> <li>▪ IT 120 online, material in Excel Module</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a>  <a href="http://www.quia.com">http://www.quia.com</a></p> <p>Appendix T: Insurance Time Line  Appendix U: Worksheet 9 Column  Appendix V: Closing Entries</p>

**INTRODUCTION TO ACCOUNTING 120**

**GCO 9: At the end of this unit students will be able to demonstrate an understanding of adjusting entries, closing entries, depreciation, the expanded worksheet and the preparation of a post-closing trial balance.**

<b>Specific Outcomes</b>	<b>Links/Strategies</b>
11. Demonstrate an understanding of the preparation of a post-closing trial balance.	11 Using previously completed, up-dated worksheets, have students prepare post-closing trial balances.
12. Demonstrate an understanding of the complete accounting cycle.	12 Students complete a comprehensive exercise beginning with journalizing and concluding with the preparation of a post-closing trial balance.
13. Demonstrate an understanding of the preparation of a post-closing trial balance using a spreadsheet application.	13 Using new or previously completed exercises, have students complete a post-closing trial balance. Students should utilize the formula function to determine balances.

**INTRODUCTION TO ACCOUNTING 120**

**GCO 9: At the end of this unit students will be able to demonstrate an understanding of adjusting entries, closing entries, depreciation, the expanded worksheet and the preparation of a post-closing trial balance.**

<b>Assessment</b>	<b>Resources</b>
<p>11 Evaluate students' ability to properly format a post-closing trial balance. Ensure no nominal/temporary accounts appear.</p> <p>12 Evaluate students' ability to complete a comprehensive exercise.</p> <p>13 Evaluate students' use of formulas and formatting of an electronic post-closing trial balance.</p> <p>Teacher created summative test</p>	<p>Guest speaker—auditor</p> <p><a href="http://nbvhs.nbed.nb.ca">http://nbvhs.nbed.nb.ca</a></p> <ul style="list-style-type: none"> <li>▪ Introduction to Accounting 120 online, material in Unit 9</li> <li>▪ IT 110 online, material in Module 4: MS Office</li> <li>▪ IT 120 online, material in Excel Module</li> </ul> <p><a href="http://accounting1.ca">http://accounting1.ca</a>  <a href="http://www.quia.com">http://www.quia.com</a></p> <p>Appendix T: Insurance Time Line  Appendix U: Worksheet 9 Column  Appendix V: Closing Entries</p>

**INTRODUCTION TO ACCOUNTING 120—SUPPLEMENTARY UNIT**

**GCO S1: At the end of this unit students will be able to demonstrate the basic activities of accounting in a merchandise business.**

<b>Specific Outcomes</b>	<b>Links/Strategies</b>
<p>Students will be expected to:</p> <ol style="list-style-type: none"> <li>Describe merchandising activities.</li> <li>Demonstrate an understanding of the inventory asset of a merchandising company.</li> <li>Describe both perpetual and periodic inventory systems.</li> <li>Analyze transactions of a merchandising company using a perpetual and periodic inventory system.</li> </ol>	<ol style="list-style-type: none"> <li>As a class, discuss the difference between a service business, a merchandising business and a service/ merchandising business.</li> <li>As a class, discuss the relationship between producing/manufacturing businesses and merchandising businesses.</li> <li>Define terms/accounts associated with the inventory cycle: <ul style="list-style-type: none"> <li>▪ Merchandise inventory</li> <li>▪ Goods available for sale</li> <li>▪ Cost of goods sold</li> <li>▪ Gross profit</li> </ul> </li> <li>Discuss the accuracy of the merchandise inventory account and the perpetual and periodic procedure for determining a correct value.</li> <li>Discuss additional accounts required for merchandise accounting: <ul style="list-style-type: none"> <li>▪ Sales</li> <li>▪ Sales Returns &amp; Allow.</li> <li>▪ Sales Discounts</li> <li>▪ Delivery Expense</li> <li>▪ Purchases</li> <li>▪ Freight In</li> <li>▪ Purchase Returns &amp; Allow.</li> <li>▪ Purchase Discounts</li> <li>▪ Cost of Goods Sold</li> </ul> </li> <li>Illustrate the similarities and differences when recording transactions for a periodic and perpetual inventory system.</li> </ol>

**INTRODUCTION TO ACCOUNTING 120—SUPPLEMENTARY UNIT**

**GCO S1: At the end of this unit students will be able to demonstrate the basic activities of accounting in a merchandise business.**

Assessment	Resources
<p>1 Evaluate student ability to explain the operation cycle of both a service business (sales→collection) and a merchandising business (inventory purchase→sales→collection).</p> <p>1 Allow students to generate a list of familiar businesses which can be classified as producing, manufacturing and merchandising</p> <p>2 Evaluate students' ability to create inventory cycle equations for Goods Available For Sale, Cost of Goods Sold and Gross Profit.</p> <p>2 Provide various exercises where missing amounts from the inventory cycle equation must be determined.</p> <p>3 Students explain the limitations of a periodic and perpetual inventory system.</p> <p>4 In groups students prepare bulletin boards comparing perpetual and periodic inventory journalizing procedures.</p> <p>4 Provide various exercises where students are required to journalize sale and purchase transactions for both a periodic and perpetual inventory.</p>	<p>Ireland, Tim, and George Syme. <i>Accounting 1</i>. 6<sup>th</sup> ed. Scarborough: Prentice Hall, 2002. (Chapter 11) ISBN 0-13-092332-X</p> <p>Jensen, T., and K.D. Larson. <i>Fundamental Accounting Principles</i>. 11<sup>th</sup> ed. Toronto: McGraw-Hill Ryerson, 2005. (Supplementary text; Chapter 6) ISBN 0-07-091649-7</p>

**INTRODUCTION TO ACCOUNTING 120—SUPPLEMENTARY UNIT**

**GCO S1: At the end of this unit students will be able to demonstrate the basic activities of accounting in a merchandise business.**

<b>Specific Outcomes</b>	<b>Links/Strategies</b>
<p>5. Demonstrate an understanding of accounting adjustments for a merchandising company.</p> <p>6. Properly format a worksheet, an income statement and a balance sheet for a merchandising company.</p> <p>7. Demonstrate an understanding of the process of journalizing and posting closing entries.</p>	<p>5 Considering the necessity of a physical inventory count for both a periodic and perpetual inventory system, discuss the necessary entry to adjust the account.</p> <p>5 Using T-accounts, illustrate the necessary changes to update an inventory account.</p> <p>6 As a class, brainstorm the placement of the new accounts on the worksheet and review recording processes especially adjustments.</p> <p>6 Illustrate the placement of new accounts on a formal income statement and report form balance sheet.</p> <p>7 Using previously completed expanded worksheets, have students journalize and post closing entries.</p>

**INTRODUCTION TO ACCOUNTING 120—SUPPLEMENTARY UNIT**

**GCO S1: At the end of this unit students will be able to demonstrate the basic activities of accounting in a merchandise business.**

Assessment	Resources
<p>5 Evaluate students' ability to journalize merchandise inventory adjustments.</p> <p>6 Provide various exercises requiring students to complete an eight-column worksheet for a merchandising company.</p> <p>6 Using previously completed worksheets, evaluate students' ability to prepare income statements and balance sheets.</p> <p>7 Evaluate students' ability to journalize and post closing entries.</p> <p>7 Evaluate students' ability to complete a comprehensive exercise.</p> <p>Teacher created summative test</p>	<p>Ireland, Tim, and George Syme. <i>Accounting 1</i>. 6<sup>th</sup> ed. Scarborough: Prentice Hall, 2002. (Chapter 11) ISBN 0-13-092332-X</p> <p>Jensen, T., and K.D. Larson. <i>Fundamental Accounting Principles</i>. 11<sup>th</sup> ed. Toronto: McGraw-Hill Ryerson, 2005. (Supplementary text; Chapter 6) ISBN 0-07-091649-7</p>

**INTRODUCTION TO ACCOUNTING 120—SUPPLEMENTARY UNIT**

**GCO S2: At the end of this unit students will be able to demonstrate an understanding of management information systems, special journals and ledgers.**

Specific Outcomes	Links/Strategies
<p>Students will be expected to:</p> <ol style="list-style-type: none"> <li>1. Demonstrate an understanding of how and why financial information is shared.</li> <li>2. Describe the goals and uses of special journals.</li> <li>3. Describe the use of control accounts and subledgers.</li> <li>4. Demonstrate the ability to journalize and post transactions using special journals and subledgers.</li> </ol>	<ol style="list-style-type: none"> <li>1 Define Management Information Systems (MIS) and Accounting Information Systems (AIS).               <ol style="list-style-type: none"> <li>1 As a class or in groups, create:                   <ul style="list-style-type: none"> <li>▪ A flowchart depicting the movement of information between subsystems of an organization (sales/marketing, production, finance, HR, AIS)</li> <li>▪ A diagram illustrating the path of various source documents through the AIS subsystems (shipping/ receiving, a/r, a/p, purchasing, payroll)</li> </ul> </li> <li>2 As a class discuss the special journals that increase the efficiency of accounting for a merchandising organization (sales, cash receipts, purchases, cash disbursements, general)</li> <li>3 Review the use of :                   <ul style="list-style-type: none"> <li>▪ Control accounts</li> <li>▪ Accounts receivable subledger</li> <li>▪ Accounts payable subledger</li> <li>▪ Associated reports</li> </ul> </li> <li>3 Discuss the use of other subledgers such as an equipment ledger or an inventory ledger.</li> <li>4 Using various exercises, illustrate the proper procedures for journalizing transactions in the various special journals.</li> <li>4 Using previously completed exercises, illustrate the proper procedure for totalling special journals and posting amounts to the ledgers. Pay particular attention to the relationship between subledgers, special journals and the general ledger.</li> </ol> </li> </ol>



**INTRODUCTION TO ACCOUNTING 120—SUPPLEMENTARY UNIT**

**GCO S2: At the end of this unit students will be able to demonstrate an understanding of management information systems, special journals and ledgers.**

Assessment	Resources
<p>1 Evaluate students' ability to list common MIS and AIS departments for various types of businesses.</p> <p>1 Evaluate students' ability to describe the necessity and benefits of sharing information within organizational subsystems.</p> <p>2 Evaluate students' ability to identify the appropriate journal for individual transactions.</p> <p>3 Evaluate students' ability to select the appropriate subledger for individual transactions.</p> <p>3 Using T-accounts, have students post transactions to various subledgers and, once complete, transfer the sum of each subledger to its appropriate control account.</p> <p>4 Evaluate students' ability to complete a comprehensive exercise using all special journals and subledgers.</p> <p>Teacher created summative test</p>	<p>Ireland, Tim, and George Syme. <i>Accounting</i> 1. 6<sup>th</sup> ed. Scarborough: Prentice Hall, 2002. (Chapter 12) ISBN 0-13-092332-X</p> <p>Jensen, T., and K.D. Larson. <i>Fundamental Accounting Principles</i>. 11<sup>th</sup> ed. Toronto: McGraw-Hill Ryerson, 2005. (Supplementary text; Chapter 8) ISBN 0-07-091649-7</p>

