

**#701 ACCOUNTING I**

**GRADES: 9 -12**

**LEVEL: 1**

**CREDITS: 3**

**PREREQUISITES: None**

**BASIC TEXT:** Century 21 Accounting, General Journal, Gilbertson & Lehman, 2008

**SUPPLEMENTAL READINGS:** Local Newspapers Articles, Selected Case Studies from text, Selected Written Assignments for NEASC compliance, Sarbanes-Oxley Materials

**REQUIRED MATERIALS:** Century 21 Accounting Textbook, Student Working Papers, Century 21 Software Program related to Accounting 1, Microsoft Excel Spreadsheet Program, Monopoly Board Game

**COURSE DESCRIPTION:** Accounting I covers the principles of beginning accounting. It encompasses the entire accounting cycle and serves as a basis for advanced study and/or initial employment. Financial statements, journals, ledgers, adjustments, checking accounts, and payroll are covered as well as ethical issues.

**MISSION RELATED GOALS:** This course will foster the development of communication and problem-solving skills. Students will apply higher order thinking skills to solve simple and complex problems.

**STUDENT EXPECTATIONS FOR LEARNING ADDRESSED:** Students will communicate effectively and work towards a common goal while utilizing their problem solving skills to solve complex problems. The application of these expectations will allow students to contribute to the wider global society.

**GENERAL PERFORMANCE OBJECTIVES:**

1. Comprehend accounting as it relates to careers.
2. Further understand and use accounting terminology.
3. Provide adequate preparation for advanced study.
4. To contribute to the economic and general education of the student.

**MASSACHUSETTS FRAMEWORKS STRANDS:** There are no state framework strands specifically related to accounting education. However, the following strands are utilized in the TMHS accounting class.

G9-12: 1.1 Identify the platform, version, properties, function, and interoperability of computing devices including a wide range of devices that compute and/or manage digital media.

G9-12: 1.7 Identify and assess the capabilities and limitation of emerging technologies.

G9-12: 1.8 Design and use functions of a spreadsheet application

G9-12: 2.1 Demonstrate compliance with the school's Acceptable Use Policy.

G9-12: 2.2 Explain issues related to the responsible use of technology (e.g., privacy, security)

G9-12: 2.8 Design and implement a personal learning plan that includes the use of technology to support lifelong learning goals.

G9-12: 2.9 Evaluate the authenticity, accuracy, appropriateness, and bias of electronic resources including Web sites.

G9-12: 3.5 Explain and demonstrate how specialized technology tools can be used for problem solving, decision making, and creativity in all subject areas.

### **CURRICULUM FRAMEWORK LEARNING STANDARDS:**

**Standard 1.** Demonstrate proficiency in the use of computers and applications as well as an understanding of concepts underlying hardware, software, and connectivity.

**Standard 2.** Demonstrate responsible use of technology and an understanding of ethics and safety issues in using electronic media at home, in school and in society.

**Standard 3.** Demonstrate ability to use technology for research, critical thinking, problem-solving, decision making, communication, collaboration, creativity and innovation.

### **UNITS AND THEMES:**

<b>I.</b>	<b>Accounting for a Service Business</b>	
	<b>Starting a Proprietorship</b>	
	Changes that affect the accounting equation	1 week
	Standards 1,2,3	
<b>II.</b>	Analyzing Transactions into Debit and Credit Parts	1 week
	Standards 1,2,3	
<b>III.</b>	Recording Transactions into a General Journal	1 week
	Standards 1,2,3	
<b>IV.</b>	Posting from a General Journal to A General Ledger	1 week
	Standards 1,2,3	

V.	Cash Control Systems and Caution with Credit Standards 1,2,3	2 weeks
VI.	Worksheet for a Service Business Standards 1,2,3	1 week
VII.	Financial Statements for a Proprietorship Standards 1,2,3	1 week
VIII.	Recording Adjusting and Closing Entries for a Service Business Standards 1,2,3	1 week
IX.	<b>Accounting for a Merchandising Business Organized as a Corporation</b> Journalizing Purchases and Cash Payments Standards 1,2,3	1 week
X.	Journalizing Sales and Cash Receipts Using Special Journals Standards 1,2,3	1 week
XI.	Posting to General and Subsidiary ledgers Standards 1,2,3	1 week
XII.	Preparing Payroll records Standards 1,2,3	1 week
XIII.	Payroll Accounting, Taxes and Reports Standards 1,2,3	1 week
XIV.	Distributing Dividends and Preparing a Worksheet for a Merchandising Business Standards 1,2,3	1 week
XV.	Financial Statements for a Corporation Standards 1,2,3	1 week
XVI.	Selected worksheets, writing assignments And general review	1 week +

### **COURSE OUTLINE:**

#### **I. Changes that affect the accounting equation**

- a. What is accounting
- b. Laws affecting accounting
- c. The accounting equation
- d. Business activities involving cash that change the accounting equation
- e. How business transactions affect Owner's Equity such as revenue, expenses and personal use

#### **II. Analyzing Transactions into Debit and Credit Parts**

- a. Using T Accounts to analyze the accounting equation
- b. Account balances

- c. Analyzing how cash transactions affect account balances
- d. Analyzing how transactions affect owner's equity

**III. Recording Transactions into a General Journal**

- a. Using a journal
- b. Posting in chronological order
- c. Source documents (checks, memos, receipts, tapes)
- d. Double-entry accounting
- e. Buying and Paying on account
- f. Selling and receiving on account
- g. Completing a journal page and starting a new journal page

**IV. Posting from a General Journal to a General Ledger**

- a. Preparing chart of accounts
- b. Relationship of T Accounts to an account form
- c. Assigning account numbers
- d. Opening accounts in a general Ledger
- e. Posting from a General Journal to a General Ledger
- f. Completing the general ledger, making corrections, and proving cash

**V. Cash Control Systems and Caution with Credit**

- a. How businesses use cash
- b. Checking accounts
- c. Types of check endorsements
- d. Completing a check stub
- e. Bank reconciliations
- f. Recording and journalizing bank charges
- e. Electronic banking and debit and credit card transactions
- f. Dishonored checks and recording a dishonored check
- g. Petty cash
- h. Teaching students about being cautious with credit

**VI. Worksheets for a service Business**

- a. Fiscal periods and consistent reporting
- b. Components on a worksheet and preparing a Trial Balance on the worksheet
- c. Preparing adjusting entries on a worksheet
- d. Extending financial statement information on a worksheet
- e. Preventing and checking for errors on a worksheet

**VII. Financial Statements for a Proprietorship**

- a. Preparing an income statement, Revenue, Expenses, Net Income/Loss  
Component Percentages
- b. Preparing an income statement with two sources of Revenue and a net loss
- c. Preparing a Balance Sheet, Assets, Liabilities and Owner's Equity

**VIII. Journalizing and Posting Adjusting and Closing Entries for a Service Business**

- a. Permanent versus temporary accounts (Income Summary)
- b. Journalizing and posting adjusting entries for supplies and insurance
- c. Journalizing and posting closing entries
- d. Journalizing and posting net income or net loss
- e. Journalizing and posting the Owner's drawing account
- f. Preparing a post closing trial balance

**IX. Journalizing Purchases and Cash Payments**

- a. Journalizing purchases for a merchandising business using a Purchases Journal
- b. Purchase Invoice
- c. Using Special Journals
- d. Purchasing merchandise for cash and on account
- e. Totaling and ruling a Purchases Journal
- f. Journalizing Cash Payments using a Cash payments Journal
- g. Buying supplies for cash
- h. Trade Discounts
- i. Petty cash reports and replenishing the petty cash fund
- j. Totaling, proving and ruling a CPJ and carrying over totals
- k. Using a general Journal for Supplies on account
- l. Debit Memorandum for Purchases Returns and Allowances
- m. Journalizing Purchases Returns and Allowances

**X. Journalizing Sales and Cash Receipts**

- a. Journalizing sales for a merchandising business using a Sales Journal
- b. Sales Invoice
- c. Sales of merchandise on account
- d. Sales Tax
- e. Totaling and ruling a Sales Journal
- f. Journalizing Cash receipts using a Cash Receipt Journal
- g. Calculating and journalizing cash receipts on account with sales discount
- h. Cash and credit card sales
- i. Totaling, proving and ruling a CRJ and carrying over totals
- j. Credit Memorandums for Sales Returns and Allowances
- k. Journalizing Sales Returns and Allowances

**XI. Posting to General and Subsidiary Ledgers**

- a. General Ledger Controlling Accounts
- b. Posting to an Accounts Payable Ledger
- c. Subsidiary Ledgers
- d. Posting from a Purchases Journal to an Accounts Payable Ledger
- e. Posting from a Cash Payments Journal to an Accounts Payable Ledger

- f. Posting the credit and debit entries from a general Journal to an Accounts Payable Ledger
- g. Proving the Accounts Payable Ledger  
Posting to an Accounts Receivable Ledger
- h.. Posting from a Sales Journal to an Accounts Receivable Ledger
- i. Posting from a Cash Receipts Journal to an Accounts Receipts Ledger
- j. Posting the credit and debit entries from a General Journal to an Accounts Receivable Ledger
- k. Proving the Accounts Receivable Ledger
- l. Posting from journals to the General Ledger
- m. Order of posting from special journals
- n. Posting Special Journal totals to the General Ledger
- o. Correcting entries affecting subsidiary journals

#### **XII. Preparing Payroll Records**

- a. Preparing payroll time cards
- b. Determining Payroll Tax withholding from W4's and tax withholding tables
- c. Preparing Payroll records – Payroll Register and Employee Earnings Record
- d. Preparing Payroll Checks – Payroll bank account, Employee checks and Electronic Funds Transfer

#### **XIII. Payroll Accounting, Taxes and Reports**

- a. Recording an Employee's Payroll from Payroll Register
- b. Recording an Employer's Payroll such as Employer's FICA Taxes from Payroll Register and Federal and State Unemployment Taxes from the Unemployment taxable earnings sheet
- c. Journalizing employee and employer's Payroll Taxes
- d. Reporting Withholding and Payroll Taxes
- e. Paying Withholding and Payroll Taxes, filling out necessary forms and journalizing all recorded payments

#### **XIV. Preparing a Worksheet for a Merchandising Business and distributing dividends**

- a. Distributing Corporate Earnings to Stockholders – Declaring and Paying a dividend

**Please note: A component of computerized accounting will be introduced periodically as concepts are learned.**

#### **INSTRUCTIONAL STRATEGIES:**

Lessons will be presented as whiteboard presentations, interactive discussions, case studies, lectures and handouts in order to address the various learning styles of the students. Writing assignments demonstrating that each student can effectively communicate accounting concepts will be utilized. Other strategies will include using the computer to design an

accounting system and employing Monopoly as an accounting tool.

**SUGGESTED INTEGRATED ACTIVITIES:** Class work and projects integrate with computer applications, marketing/management, and math.(spreadsheets and financial statement analysis)

**USE OF TOOLS / TECHNOLOGY:**

Calculators, State of the Art computers, (IBM format), Monopoly Game, Century 21 Computer Program, Smart Board

**ASSESSMENTS TECHNIQUES:**

Daily class work, homework, weekly written tests, case studies, writing assignments, Class participation, attitude and effort

Grades are calculated as follows:

Tests	= 80%
Homework	= 10%
Class Work	= 10%