

Southern York County School District Lesson Plan

Name: Angela Lehigh
Course: Accounting II

Unit: Corporation Merchandising Business
Months: August - June

Stage 1 – Desired Results

PA State Standard(s) Addressed:

- 1.6 – A. Listen to others
 - F. Contribute to discussions
 - G. Participate in small and large group discussions and presentations
- 2.5 – D. Conclude a solution with a summary of results and evaluate degree to which results represent an acceptable response to initial problem and why reasoning is valid
- 6-2 – D. Evaluate changes in economic institutions over time
 - E. Predict how changes in supply and demand affect equilibrium price and quantity sold
 - F. Identify and analyze forces that can change price
- 6-3 – B. Evaluate economic reasoning behind a choice
 - E. Analyze opportunity cost of decisions
- 6-4 – E. Analyze how US consumers and producers participate in global production and consumption of goods/services
- 6.5 – G. Analyze the risks and returns of investments
 - H. Evaluate benefits and costs of changes in interest rates
- 11.2 – C. Assess and evaluate the effectiveness of use of teamwork and leadership skills in various work situations
- 13.1 – E. Career selection influences
- 13.3 – A. Work habits
 - G. Lifelong learning
- 13.4 – A. Risks and rewards

PA Common Core (Common Core) Standard(s) Addressed:

Understanding(s):

Students will understand that. . .

- Accounting teaches several transferable skills
- Accounting skills are valuable professionally and personally
- The type of ownership and business organization determines needed accounting practices

Essential Question(s):

- To what extent is accounting necessary for business and personal use?
- To what extent should ethical behaviors influence business decisions?
- What is the accounting cycle for a merchandising business organized as a corporation?

Learning Objectives:

Students will know . . .

- Definitions of the following terms: uncollectible accounts, allowance method, book value, book value of accounts receivable, net realizable value, percent of sales method, percent of accounts receivable method, aging of accounts receivable, writing off an account, direct write-off method, promissory note, note payable, note receivable, maker of a note, payee, principal, interest rate, maturity date, time of a note, maturity value, interest income, dishonored note, unadjusted trial balance, beginning inventory, ending inventory, accrued revenue, accrued interest income, current assets, plant assets, depreciation, depreciation expense, salvage value, useful life, straight-line method of depreciation, accumulated depreciation,

Students will be able to . . .

- Identify accounting concepts and practices related to uncollectable accounts receivable; preparing adjusting entries and a trial balance, financial statements and closing entries for a corporation; financial statement analysis, acquiring capital for growth and development; plant assets, depreciation and intangible assets; accruals, deferrals and reversing entries; end-of-fiscal period work for a corporation; accounting for partnerships and recording international and internet sales
- Explain the purpose of the allowance method for recording losses from uncollectible accounts
- Estimate uncollectible accounts expense using an aging of accounts receivable
- Record the adjusting entry for the allowance for uncollectible accounts

book value of a plant asset, adjusted trial balance, tax bracket, marginal tax rate, operating revenue, net sales, cost of merchandise sold, gross profit, income from operations, statement of stockholders' equity, par value, current liabilities, long-term liabilities, supporting schedule

- profitability ratio, benchmark, comparative financial statements, trend analysis, profit margin, gross margin operating margin, operating expense ratio, solvency ratio, debt ratio, horizontal analysis, earnings per share market ratio, dividend yield, price-earnings ratio, liquidity ratio, working capital current ratio, quick assets, quick ratio, revenue expenditure, debt financing, line of credit, prime interest rate, interest expense, non-operating expenses, capital expenditures, collateral, bond, bond issue, stated interest rate equity financing, par value, issue date, preferred stock, cost of capital, financial leverage, return on investment, real property, personal property, assessed value, plant asset record, gain, gain on plant assets, loss, loss on plant assets, accelerated depreciation, declining-balance method of depreciation, double declining-balance method of depreciation, intangible asset, amortization, inventory record, stock record, stock ledger, FIFO, LIFO, weighted-average inventory costing method, market value, lower of cost or market inventory costing method (LCM), gross profit method of estimation inventory, accrual, deferral, reversing entry, accrued expenses, accrued interest expense, deferred revenue, deferred expenses, cash flow, statement of cash flow, operating activities, investing activities, financing activities, partnership, partner, partnership agreement, distribution of net income statement, owners' equity statement, liquidation of a partnership, realization, exports, imports, contract of sale, letter of credit, bill of lading, commercial invoice, draft, sight draft, time drat, trade acceptance
- The concepts of accounting period cycle, adequate disclosure, consistent reporting, historical cost, matching expenses with revenue, business entity
- How to complete the financial cycle for a merchandising business organized as a corporation
- How to make business decisions based on financial statements of a corporation

- Write off an uncollectible account receivable
- Account for the collections of an account receivable that was written off
- Record the acceptance of a note receivable
- Account for the collection of a note receivable
- Account for a dishonored note receivable
- Prepare an unadjusted trial balance
- Adjust supplies, prepaid insurance, merchandise inventory, interest receivable, accumulated depreciation, and federal income tax payable
- Calculate depreciation expense using the straight-line method
- Post adjusting entries
- Prepare an adjusted trial balance
- Prepare an income statement for a merchandising business organized as a corporation
- Prepare a statement of stockholders' equity
- Prepare a balance sheet for a business organized as a corporation
- Prepare closing entries and a post-closing trial balance
- Analyze an income statement and balance sheet using vertical analysis
- Perform vertical analysis of a balance sheet
- Perform horizontal analysis of and income statement and balance sheet
- Calculate earnings per share
- Calculate and interpret market ratios and liquidity ratios
- Identify available sources of debt financing
- Journalize transactions related to short-term debt financing
- Identify components of a loan application
- Journalize transactions related to long-term and equity financing
- Identify factors influencing financing decisions
- Analyze the impact of financial leverage
- Record the buying of a plant asset, analyze the cost of individual assets bought as a bundle
- Calculate and record the payment of property tax
- Calculate depreciation expense
- Calculate depreciation expense for a partial year, accumulated depreciation and book value
- Prepare plant asset records
- Journalize annual depreciation expense
- Record the sale of a plant asset for book value and for more/less than book value
- Calculate depreciation using the double declining-balance method
- Record the buying of an intangible asset
- Calculate and record an amortization expense
- Prepare a stock record
- Calculate the cost of merchandise inventory using first-in, first-out (FIFO), last-in, first-out (LIFO) and weighted-average inventory costing methods
- Estimate the cost of merchandise inventory using the gross profit method of estimating inventory
- Record the reversing entry for accrued revenue, an entry to receive payment on a note receivable with

accrued interest, the adjusting and reversing entries for an accrued expense, an entry to pay an installment on a note payable with accrued interest, an entry to receive cash on deferred revenue, and an entry to pay cash on a deferred expense

- Calculate accrued interest expense
- Calculate the amount and record the entry for deferred revenue when earned and for a deferred expense when incurred
- Plan and record end-of-fiscal-period adjustments for a merchandising business organized as a corporation
- Prepare and income statement, statement of stockholders' equity, balance sheet and statement of cash flows for a merchandising business organized as a corporation
- Record closing and reversing entries for a merchandising business organized as a corporation
- Journalize entries to record investments and withdrawals by partners
- Prepare distribution of net income and owners' equity statements for a partnership
- Calculate and record a gain and a loss on realization
- Journalize entries to liquidate a partnership
- Explain the purpose of entering the export and import markets
- Describe issues that must be considered before making international sales
- Explain the documentation that must be produced to process international sales
- Account for international sales, time drafts and internet sales

Stage 2 – Assessment Evidence

Performance Task(s):

- Mastery problems
- Source document problems
- Simulations
- Written tests for theory and application

Other Evidence:

- Participation in class activities and discussion

Stage 3 – Learning Plan

Learning Activities:

- Daily lesson plans