

# ACCOUNTING II

Sharon Kluender, Chase County High School

**Achievement Standard: Complete the various steps of the accounting cycle and explain the purpose of each step.**

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| AII | 11-12 | 1.  | Define accounting and explain the purpose of the accounting system.   |
| AII | 11-12 | 2.  | Demonstrate an understanding of the fundamental accounting equation.  |
| AII | 11-12 | 3.  | Classify items as assets, liabilities, or owner's equity.   |
| AII | 11-12 | 4.  | Explain how owner's equity is effected by revenue, expense, and drawing accounts.   |
| AII | 11-12 | 5.  | Identify source documents and analyze the effect the business transactions have on the accounting equation.               |
| AII | 11-12 | 6.  | Journalize business transactions using various journal formats (general, special combination).                            |
| AII | 11-12 | 7.  | Explain the purpose of a journal and its relationship when posted to the ledger.  |
| AII | 11-12 | 8.  | Prepare and analyze the trial balance to determine the necessary adjustments.   |
| AII | 11-12 | 9.  | Explain the purpose of the closing process, journalize and post closing entries and prepare a post-closing trial balance. |
| AII | 11-12 | 10. | Use spreadsheet and/or accounting software to demonstrate accounting procedures used in an automated accounting system.   |
| AII | 11-12 | 11. | Explain the importance of high ethical standards in accounting.   |
| AII | 11-12 | 12. | Explain the double-entry system of accounting and apply debit and credit rules when analyzing business transactions.      |
| AII | 11-12 | 13. | Prepare and explain the purposes of each financial statement and their common relationship.                               |

**Achievement Standard: Determine the value of assets, liabilities, and owner's equity according to generally accounting principles, explaining when and why they are used.**

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| AII | 11-12 | 14. | Define and identify current and long-term assets and liabilities and explain their impact on financial statements.                                    |
| AII | 11-12 | 15. | Define cash systems, identify cash control techniques, and explain the benefits of EFT.ATM and debit cards.   |
| AII | 11-12 | 16. | Create and maintain the accounts receivable and accounts payable subsidiary ledgers.  |
| AII | 11-12 | 17. | Explain the purpose of the capital and drawing accounts for a sole proprietorship and partnership.  |
| A1  | 11-12 | 18. | Use spreadsheet or accounting software to maintain accounting records for short-term and long-term assets and liabilities.                            |
| AII | 12    | 19. | Explain the purpose of retained earnings and capital stock for a corporation.   |
| AII | 12    | 20. | Compare and evaluate inventory concepts and costing procedures and apply these concepts and procedures to merchandising and manufacturing businesses. |

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| <b>AII</b> | <b>12</b> | <b>21.</b> | Explain the purpose of depreciation.   |
| <b>AII</b> | <b>12</b> | <b>22.</b> | Calculate depreciation and apply appropriate accounting concepts and techniques for acquisition, depreciation, and disposal of property, plant, and equipment. |
| <b>AII</b> | <b>12</b> | <b>23.</b> | Compare and analyze various depreciation methods and their impact on their impact on the financial statements.   |
| <b>AII</b> | <b>12</b> | <b>24.</b> | Use appropriate accounting concepts and techniques to analyze and record repairs, improvements, and exchanges of plant and equipment.                          |
| <b>AII</b> | <b>12</b> | <b>25.</b> | Explain the purposes of notes payable; establish and maintain accounts for payables and related interest.  |
| <b>AII</b> | <b>12</b> | <b>26.</b> | Use appropriate accounting concepts and techniques to analyze and record the issuance, amortization, and retirement of bonds.                                  |
| <b>AII</b> | <b>12</b> | <b>27.</b> | Define intangible assets and account for their acquisition, amortization, and disposal.  |
| <b>AII</b> | <b>12</b> | <b>28.</b> | Define natural resources and account for their acquisition, depleting, and disposal.   |
| <b>AII</b> | <b>12</b> | <b>29.</b> | Apply appropriate accounting techniques to account for investments and withdrawals by owners.  |
| <b>AII</b> | <b>12</b> | <b>30.</b> | Explain the purpose of the following accounts, common stock, preferred stock, paid-in capital, retained earnings, and dividends for a corporation.             |
| <b>AII</b> | <b>12</b> | <b>31.</b> | Apply appropriate accounting concepts and techniques to analyze and record investments by stockholders and the declaration and payment of dividends.           |

**Achievement Standard: Prepare, interpret, and analyze financial statements using manual and computerized systems for service, merchandising, and manufacturing businesses.**

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| <b>AII</b> | <b>11-12</b> | <b>32.</b> | Prepare and analyze financial statements for a sole proprietorship, partnership and corporation.  |
| <b>AII</b> | <b>11-12</b> | <b>33</b>  | Identify career opportunities in the accounting field with related education and experience.  |
| <b>AII</b> | <b>11-12</b> | <b>34.</b> | Develop an awareness of various international and multicultural issues related to the field of accounting.  |
| <b>AII</b> | <b>11-12</b> | <b>35.</b> | Apply critical thinking and decision-making skills through case studies, internet connection and workplace skills based on chapter concepts.                                  |
| <b>AII</b> | <b>11-12</b> | <b>36.</b> | Apply the revenue realization and matching principles in the preparation of income statements for service, merchandising, and manufacturing businesses.                       |
| <b>AII</b> | <b>11-12</b> | <b>37.</b> | Determine cost of goods sold and gross profit for merchandising and manufacturing business.   |
| <b>AII</b> | <b>12</b>    | <b>38.</b> | Analyze the income statement and balance sheet of a business by comparing a vertical analysis with industry standards.  |
| <b>AII</b> | <b>12</b>    | <b>39.</b> | Use a spreadsheet or accounting software to evaluate the impact of changes in operating procedures, accounting methods, and estimates on the financial statements and ratios. |
| <b>AII</b> | <b>12</b>    | <b>40.</b> | Use spreadsheet or accounting software to prepare charts and graphs useful in   |

analyzing the financial condition of the business.

- AII 12 41. Identify and define the three basic types of business activities – operating, investing, and financing.
- AII 12 42. Prepare a statement of cash flows using the direct and indirect methods.
- AII 12 43. Perform horizontal and vertical analyses and compute appropriate ratios to evaluate solvency and earning power.

**Achievement Standard: Apply appropriate accounting principles to various forms of ownership, payroll, income taxation, and managerial systems.**

- AII 11-12 44. Explain the advantages and disadvantages of the three forms of business ownership.
- AII 11-12 45. Prepare and maintain payroll records using manual and computerized systems.
- AII 11-12 46. Calculate earnings for all methods of payment.
- AII 11-12 47. Calculate all deductions to determine net pay.
- AII 11-12 48. Calculate employer's payroll taxes and other employee benefits paid by the employer.
- AII 11-12 49. Prepare federal, state, and local payroll reports.
- AII 12 50. Apply appropriate accounting techniques for the formation, allocation of earnings, dissolution, and liquidation of a partnership.
- AII 12 51. Apply appropriate accounting principles to government and not-for-profit entities.
- AII 12 52. Differentiate between taxation at the personal and business levels.
- AII 12 53. Describe the management process and the role of managerial accounting in this process.
- AII 12 54. Describe and explain those costs and accounts that are unique to the manufacturing process and distinguish between product and period costs.
- AII 12 55. Prepare the statement of cost of goods manufactured and explain its purpose on the income statement of a manufacturing business.
- AII 12 56. Describe the cost flow concepts followed by a manufacturing business.
- AII 12 57. Describe the types of products and manufacturing processes most appropriate for job order and process costing systems.
- AII 12 58. Apply appropriate accounting concepts and procedures for a job order costing system.
- AII 12 59. Apply appropriate accounting concepts and procedures for a process costing system.
- AII 12 60. Explain and apply departmental concepts and procedures.
- AII 12 61. Determine gross profit on sales by department.
- AII 12 62. Allocate expenses among departments and prepare a departmental worksheet.
- AII 12 63. Prepare income statements that report departmental operating income and departmental contribution margins.

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| <b>AII</b> | <b>12</b> | <b>64.</b> | Explain the difference between decentralized and centralized accounting systems.                               |
| <b>AII</b> | <b>12</b> | <b>65.</b> | Journalize and prepare financial statements for a multistore business that uses centralized accounting system. |
| <b>AII</b> | <b>12</b> | <b>66.</b> | Explain how the voucher system is used to control a business's cash payments.                                  |
| <b>AII</b> | <b>12</b> | <b>67.</b> | Record vouchers in a voucher register and payments of vouchers in a check register.                            |

**Achievement Standard: Use planning and control principles and evaluate the performance of an organization and apply differential analysis and present value concepts to make decisions.**

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| <b>AII</b> | <b>12</b> | <b>68.</b> | Explain and compare the behavior of fixed, variable, and mixed costs.             |
| <b>AII</b> | <b>12</b> | <b>69.</b> | Apply cost-volume-profit and contribution margin analyses in planning operations. |
| <b>AII</b> | <b>12</b> | <b>70.</b> | Prepare budget for planning purposes.   |
| <b>AII</b> | <b>12</b> | <b>71.</b> | Use a spreadsheet or accounting software for budget analysis.                     |