Unit 07 Stockholders Equity

Content Area: **Business**
Course(s): **Accounting 2A**
Time Period: **Semester 2**
Length: **3 weeks**
Status: **Published**

Standards

NJ 2009 CCCS: Standard 9 21st Life and Career: 9.4 CTE:F Finance Career Cluster Pathway Accounting

9.4.12.F.(1).1 Access and evaluate financial information to assist business decision-making.

Ethics and Legal Responsibilities: Legal responsibilities, professional ethics, and codes of conduct affect management practices, business performance, and regulatory compliance, as well as the confidence of customers, business partners, and investors.

9.4.12.F.(1).2 Describe laws and regulations affecting business operations and transactions in order to ensure compliance with industry requirements.

Employability and Career Development: Employability skills and career and entrepreneurship opportunities build the capacity for successful careers in a global economy.

9.4.12.F.(1).3 Apply career planning concepts, tools, and strategies to explore, plan, obtain, and develop a career in this pathway.

Technical Skills: Technical knowledge and skills play a role in all careers within the cluster and pathway.

9.4.12.F.(1).4 Use accounting tools, strategies, and systems to plan the use and management of financial resources.

PFL.9.1.12.D.13	Determine the impact of various market events on stock market prices and on other savings and investments.

Enduring Understanding

A corporation is a form of business that has many owners who have stock.

Different types of stock have different rights that are afforded its owners.

Accounting is different depending on the type of stock.

Essential Questions

What are the advantages and disadvantages of a Corporation?

How is the Issuance of Stock accounted for?

How do we use stockholders' equity ratios to evaluate performance?

Knowledge and Skills

- Identify the characteristics of a corporation
- Calculate and record sale of stock transactions at Par value
- Calculate and record sale of stock transactions for more than Par value
- Calculate and record slae of stock transactions for less than Par value
- Evaluate and record stock transactions for assets other than cash
- Students will be able to record and calculate common stock with no Par value
- Calculate and record common stock with stated value
- Calculate and record the purchase of treasury stock and evaluate the impact on stockholder equity
- Account for cash dividends, stock dividends, and stock splits
- Account for the purchase and slae of treasury stock
- Explain how equity is reported for a corporation
- Use arnings per share, rate on commojn stock, and P/E ratio to evaluate business performance

Transfer Goals

Consider the data available and the methods that can be used to simplify and categorize it.

Attention to detail avoids mistakes.

Resources

Horngren's Financial and Managerial Accounting
Albert.io
Accountingcoach.com