# Unit 4 Accounting for Receivables, Depreciation and Inventory Copied from: Accounting 2, Copied on: 02/21/22

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## Department of Curriculum and Instruction

**Belleville Public Schools**

**Curriculum Guide**

# ACCOUNTING 2, GRADES 10-12

# Unit 4: Accounting for Receivables, Depreciation and Inventory

**Belleville Board of Education**

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## Unit Overview

The theme for this unit is accounting for assets including Accounts Receivable, Depreciation and Inventory. Emphasis is placed on accounting for "uncollective" accounts receivable, plant assets and related depreciation, concepts and practices related to inventory management and valuation and the process of writing off an account

## Enduring Understanding

- Understand financial risk involved in "on account" purchases for a business.
- Identify accounting processes involved in estimating, recording and writing off uncollectibles.
- Relate adjustments for uncollectible accounts to the Matching principal (matching revenue to expense)
- Ability to transfer principals of depreciation and book value to personal valuation of assets through their lives
- Apply concepts of inventory management to both, business and personal matters

## Essential Questions

- What methods can be used to estimate an allowance for uncollectibles?
- What transactions are required to journalize uncollectibe expense?
- How is Accounts Receivable affected by uncollectibles?
- Should a business reopen a customer account after it has paid an uncollectible?
- When cash is paid for equipment, what accounts are affected?
- What is real property?
- How is assessed value of plant assets calculated?
- When depreciation is recorded, which accounting concept is applied?
- How do we calculate a gain or loss on the sale of a plant asset?
- What are two methods utilized to depreciate assets?

## Exit Skills

- Ability to realize and apply concepts and practices related to uncollectible accounts
- Understanding of post entries required in order to collecting and writing off uncollectibe accounts receivable
- Ability to identify and apply accounting concepts and practices related to accounting for plant assets, depreciation and property tax
- Calculate book value and depreciation using straight-line and double-declining methods
- Prepare a stock record utilizing concepts and practices related to inventory management and valuation

## New Jersey Student Learning Standards (NJSLS-S)

| | |
|---|---|
| 9.3.12.FN-ACT.1 | Describe and follow laws and regulations to manage accounting operations and transactions. |
| 9.3.12.FN□ACT.2 | Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources. |
| 9.3.12.FN-ACT.3 | Process, evaluate and disseminate financial information to assist business decision making. |
| 9.3.12.FN-ACT.4 | Utilize career□planning concepts, tools and strategies to explore, obtain and/or develop an accounting career. |
| PFL.9.1.12.A.3 | Analyze the relationship between various careers and personal earning goals. |
| PFL.9.1.12.A.4 | Identify a career goal and develop a plan and timetable for achieving it, including educational/training requirements, costs, and possible debt. |
| PFL.9.1.12.A.6 | Summarize the financial risks and benefits of entrepreneurship as a career choice. |
| PFL.9.1.12.A.9 | Analyze how personal and cultural values impact spending and other financial decisions. |

## Interdisciplinary Connections

| | |
|---|---|
| LA.RST.11-12.5 | Analyze how the text structures information or ideas into categories or hierarchies, demonstrating understanding of the information or ideas. |
| LA.RST.11-12.7 | Integrate and evaluate multiple sources of information presented in diverse formats and media (e.g., quantitative data, video, multimedia) in order to address a question or solve a problem. |
| LA.RST.11-12.9 | Synthesize information from a range of sources (e.g., texts, experiments, simulations) into a coherent understanding of a process, phenomenon, or concept, resolving conflicting information when possible. |

| | |
|---|---|
| LA.WHST.11-12.4 | Produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience. |
| LA.WHST.11-12.5 | Develop and strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach, focusing on addressing what is most significant for a specific purpose and audience. |
| | Connections to Expressions, Equations, Modeling, and Coordinates. |
| | Functions |

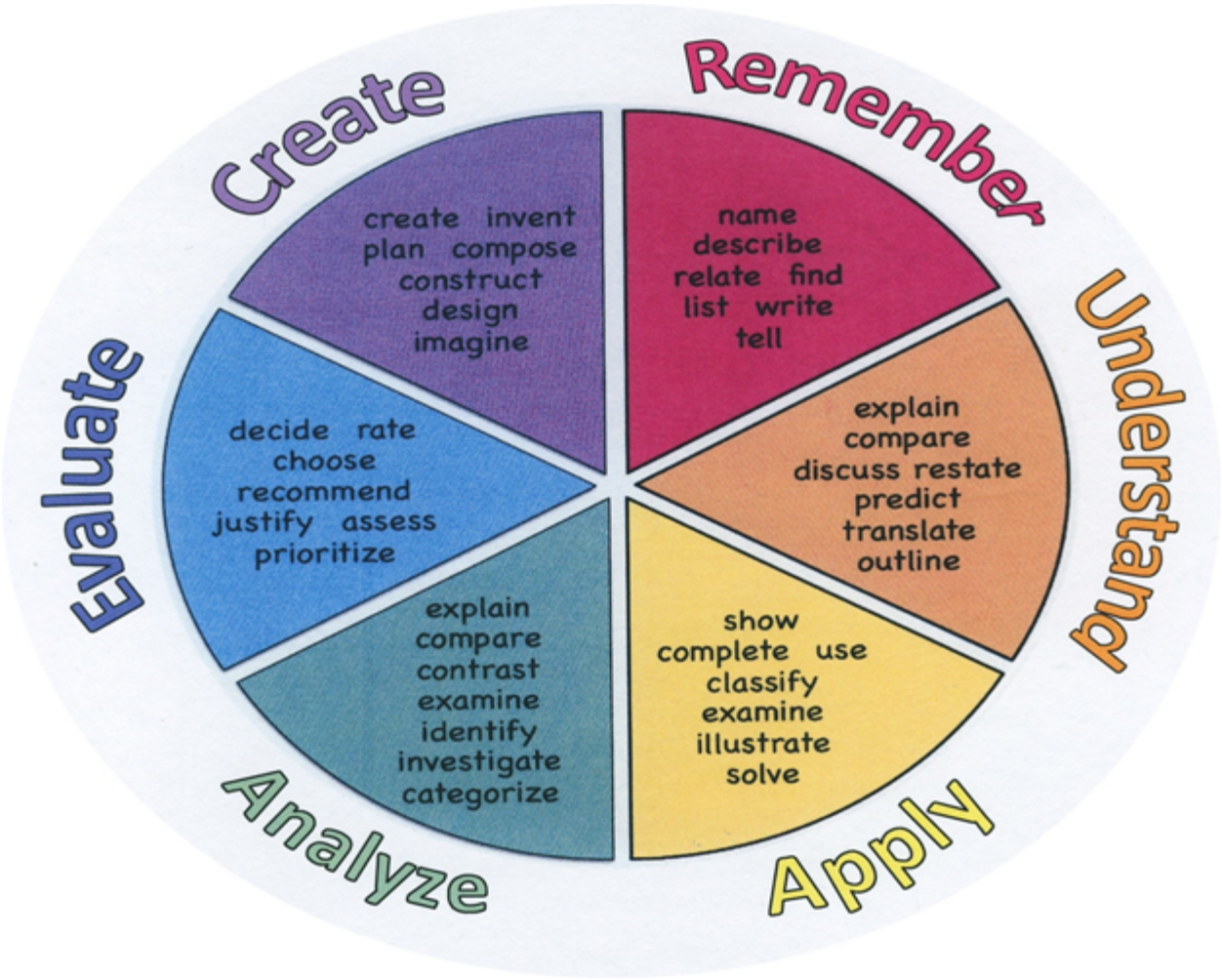
## Learning Objectives

Students will be able to

- Determine inventory costs utilizing FIFO, LIFO and weighted-average methods
- Assess and estimate allowance for uncollectibles following review of outstanding balance information
- Construct plant asset records and record and journalize depreciation expense
- Analyze transactions into debit/credit parts
- Determine real vs. personal property, assessed values and calculate property tax

**Action Verbs:** Below are examples of action verbs associated with each level of the Revised Bloom's Taxonomy.

| Remember | Understand | Apply | Analyze | Evaluate | Create |
|---|---|---|---|---|---|
| Choose | Classify | Choose | Categorize | Appraise | Combine |
| Describe | Defend | Dramatize | Classify | Judge | Compose |
| Define | Demonstrate | Explain | Compare | Criticize | Construct |
| Label | Distinguish | Generalize | Differentiate | Defend | Design |
| List | Explain | Judge | Distinguish | Compare | Develop |
| Locate | Express | Organize | Identify | Assess | Formulate |
| Match | Extend | Paint | Infer | Conclude | Hypothesize |
| Memorize | Give Examples | Prepare | Point out | Contrast | Invent |
| Name | Illustrate | Produce | Select | Critique | Make |
| Omit | Indicate | Select | Subdivide | Determine | Originate |
| Recite | Interrelate | Show | Survey | Grade | Organize |
| Select | Interpret | Sketch | Arrange | Justify | Plan |
| State | Infer | Solve | Breakdown | Measure | Produce |
| Count | Match | Use | Combine | Rank | Role Play |
| Draw | Paraphrase | Add | Detect | Rate | Drive |
| Outline | Represent | Calculate | Diagram | Support | Devise |
| Point | Restate | Change | Discriminate | Test | Generate |
| Quote | Rewrite | Classify | Illustrate | | Integrate |
| Recall | Select | Complete | Outline | | Prescribe |
| Recognize | Show | Compute | Point out | | Propose |
| Repeat | Summarize | Discover | Separate | | Reconstruct |
| Reproduce | Tell | Divide | | | Revise |
| | Translate | Examine | | | Rewrite |
| | Associate | Graph | | | Transform |
| | Compute | Interpolate | | | |
| | Convert | Manipulate | | | |
| | Discuss | Modify | | | |
| | Estimate | Operate | | | |
| | Extrapolate | Subtract | | | |
| | Generalize | | | | |
| | Predict | | | | |




## Suggested Activities & Best Practices

- Automated Accounting Simulations (supports differentiation) to construct plant asset records; iventory and calculation fo depreciation
- Student groups for the purpose of collaboration on accounting projects as they assess and estimate allowances for uncollectibles
- Roundtable discussions for the purpose of responding to prompts/simulated scenarios related to analyzing transactions into debit/credit parts
- Think/pair share for the purpose of engagement/simulation (DO NOW)
- Student presentations of results via Google slides and sheets for the purpose of developing presentational skills
- Staff presentation of data via Google slides, Sheets YouTube, classroom for the purpose of establishing forum for communication and to address all learning styles

- Guided demonstration (model)

## Assessment Evidence - Checking for Understanding (CFU)

- GOOGLE:  classroom communications, spreadsheets quizzes, surveys, anticipatory sets, exit tickets (forms)-formative assessment
- Quarterly benchmarks
- Roundtable discussion results
- Unit tests-summative assessment
- Teacher observation
- Rubrics
- Web-based assessments-alternate assessment
- benchmark assessments (see below)
- Automated Accounting Simulations (supports differentiation) to construct plant asset records; iventory and calculation fo depreciation
- Student groups for the purpose of collaboration on accounting projects as they assess and estimate allowances for uncollectibles

- Admit Tickets
- Anticipation Guide
- Common Benchmarks
- Compare & Contrast
- Create a Multimedia Poster
- DBQ's
- Define
- Describe
- Evaluate
- Evaluation rubrics
- Exit Tickets
- Explaining

- Fist- to-Five or Thumb-Ometer
- Illustration
- Journals
- KWL Chart
- Learning Center Activities
- Multimedia Reports
- Newspaper Headline
- Outline
- Question Stems
- Quickwrite
- Quizzes
- Red Light, Green Light
- Self- assessments
- Socratic Seminar
- Study Guide
- Surveys
- Teacher Observation Checklist
- Think, Pair, Share
- Think, Write, Pair, Share
- Top 10 List
- Unit review/Test prep
- Unit tests
- Web-Based Assessments
- Written Reports

## Primary Resources & Materials

- Gilbertson, C. *South-Western century 21 accounting*. 8th ed. Cincinnati, Ohio: South-Western.
- Automated Accounting Software

## Ancillary Resources

GOOGLE APPS:

- Search: for the purpose of research and analyzing transactions
- YouTube: for the purpose of research, presentations, financial management
- Classroom: Informational (assignments, grades) and Ongoing communication (messaging) with peers and teacher
- Forms: For the purpose of surveys, exit tickets, assignments, quizzes, tests, anticipatory sets
- Slides: For the purpose of developing presentational skills
- Sheets: For the purpose of developing analytical skills and financial statements
- Docs: For the purpose of developing writing skills

AUTOMATED ACCOUNTING SOFTWARE for the purpose of model simulation

CHROMEBOOKS / SMART TV

GUEST SPEAKERS

## Technology Infusion

GOOGLE APPS:

- Search: for the purpose of researching depreciation methods
- YouTube: for the purpose of research, presentations on construction of plant asset records
- Classroom: Informational (assignments, grades) and Ongoing communication (messaging) with peers and teacher
- Forms: For the purpose of surveys, exit tickets, assignments, quizzes, tests, anticipatory sets
- Slides: For the purpose of developing presentational skills
- Sheets: For the purpose of developing analytical skills
- Docs: For the purpose of developing writing skills

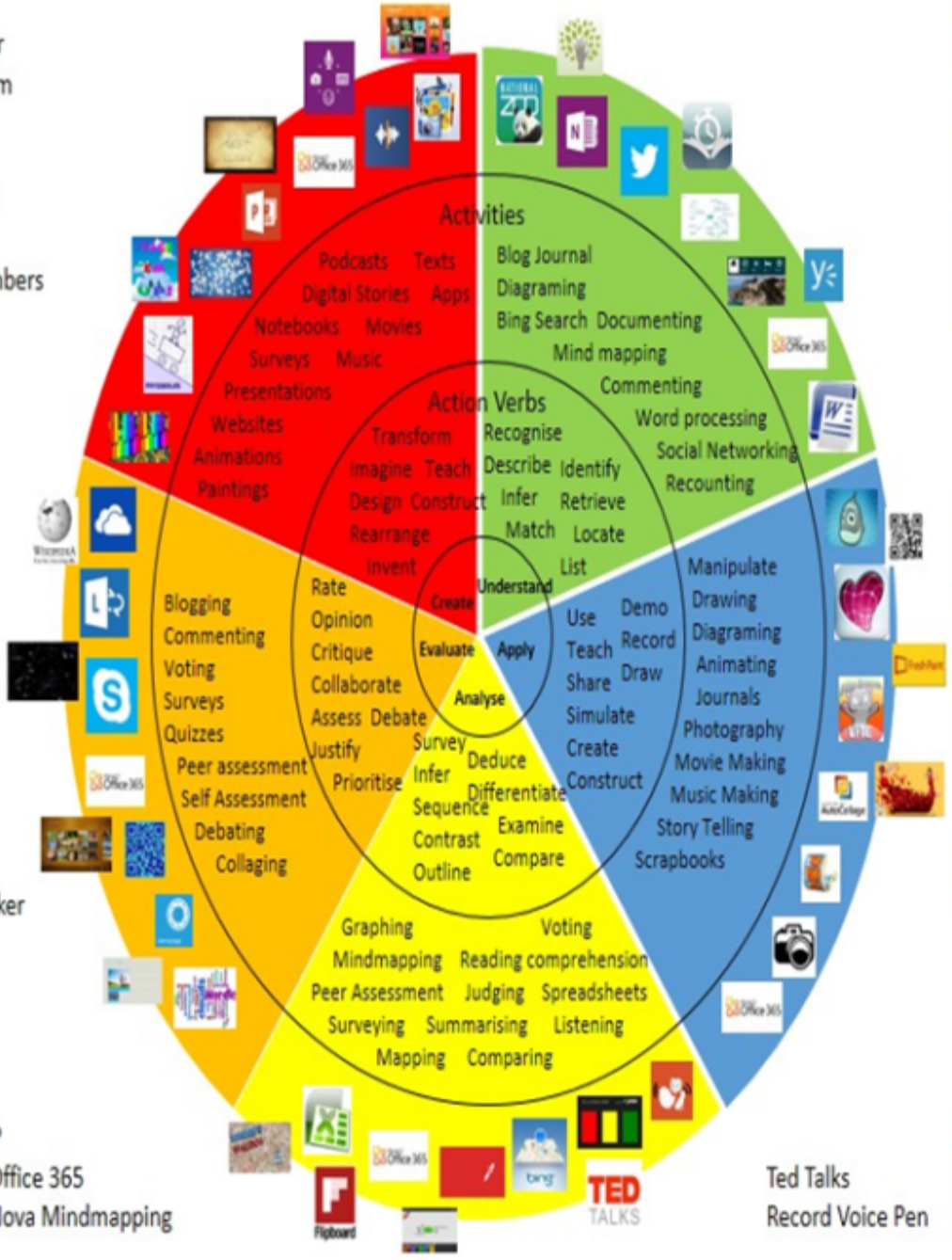
CHROMEBOOKS/SMART TV

SOFTWARE SIMULATIONS

# Win 8.1 Apps/Tools Pedagogy Wheel

Podcasts
Photostory 3
Kid Story Builder
Music Maker Jam
Paint A Story
Office 365
MS PowerPoint
Stack 'Em Up
NqSquared Numbers
Physamajig
Xylophone 8

Wikipedia
Skydrive
Lync
SkyMap
Skype
Office 365
Puzzle Touch
Easy QR
Memorylage
Life Moments
Word Cloud Maker




Where's Waldo?
MS Excel Office 365
Flipboard Nova Mindmapping

Ted Talks
Record Voice Pen

Originally taken from http://www.coetail.com/vzimmer/files/2013/02/iPadagogy-Wheel.001.jpg
And adapted for Windows 8.1 devices by Charlotte Beckhurst @CharBeckhurst

## Alignment to 21st Century Skills & Technology

| | |
|---|---|
| CRP.K-12.CRP1.1 | Career-ready individuals understand the obligations and responsibilities of being a member of a community, and they demonstrate this understanding every day through their interactions with others. They are conscientious of the impacts of their decisions on others and the environment around them. They think about the near-term and long-term consequences of their actions and seek to act in ways that contribute to the betterment of their teams, families, community and workplace. They are reliable and consistent in going beyond the minimum expectation and in participating in activities that serve the greater good. |
| CRP.K-12.CRP2.1 | Career-ready individuals readily access and use the knowledge and skills acquired through experience and education to be more productive. They make connections between abstract concepts with real-world applications, and they make correct insights about when it is appropriate to apply the use of an academic skill in a workplace situation. |
| CRP.K-12.CRP4 | Communicate clearly and effectively and with reason. |
| CRP.K-12.CRP7.1 | Career-ready individuals are discerning in accepting and using new information to make decisions, change practices or inform strategies. They use reliable research process to search for new information. They evaluate the validity of sources when considering the use and adoption of external information or practices in their workplace situation. |
| CRP.K-12.CRP10 | Plan education and career paths aligned to personal goals. |
| CRP.K-12.CRP11 | Use technology to enhance productivity. |
| CAEP.9.2.12.C.1 | Review career goals and determine steps necessary for attainment. |
| CAEP.9.2.12.C.4 | Analyze how economic conditions and societal changes influence employment trends and future education. |
| CAEP.9.2.12.C.6 | Investigate entrepreneurship opportunities as options for career planning and identify the knowledge, skills, abilities, and resources required for owning and managing a business. |
| CAEP.9.2.12.C.9 | Analyze the correlation between personal and financial behavior and employability. |
| TECH.8.1.12 | Educational Technology: All students will use digital tools to access, manage, evaluate, and synthesize information in order to solve problems individually and collaborate and to create and communicate knowledge. |
| TECH.8.1.12.A.4 | Construct a spreadsheet workbook with multiple worksheets, rename tabs to reflect the data on the worksheet, and use mathematical or logical functions, charts and data from all worksheets to convey the results. |
| TECH.8.1.12.A.CS1 | Understand and use technology systems. |
| TECH.8.1.12.A.CS2 | Select and use applications effectively and productively. |
| TECH.8.1.12.C.CS4 | Contribute to project teams to produce original works or solve problems. |
| TECH.8.1.12.D.5 | Analyze the capabilities and limitations of current and emerging technology resources and assess their potential to address personal, social, lifelong learning, and career needs. |
| TECH.8.1.12.E | Research and Information Fluency: Students apply digital tools to gather, evaluate, and use information. |

| | |
|---|---|
| TECH.8.1.12.F.CS2 | Plan and manage activities to develop a solution or complete a project. |
| TECH.8.1.12.F.CS3 | Collect and analyze data to identify solutions and/or make informed decisions. |

## 21st Century Skills/Interdisciplinary Themes

- Creativity and Innovation
- Critical Thinking and Problem Solving
- Life and Career Skills
- ICT (Information, Communications and Technology) Literacy
- Communication and Collaboration

- Communication and Collaboration
- Creativity and Innovation
- Critical thinking and Problem Solving
- ICT (Information, Communications and Technology) Literacy
- Information Literacy
- Life and Career Skills
- Media Literacy

## 21st Century Skills

- Financial, Economic, business and Entrepreneurial Literacy
- Global Awareness

- Civic Literacy
- Environmental Literacy
- Financial, Economic, Business and Entrepreneurial Literacy
- Global Awareness
- Health Literacy

## Differentiation

- Small group instruction on determination of inventory costs utlizing FIFO/LIFO methods
- Small group setting
- Extra time to complete assignments on construction of plant asset records and depreciation expense
- Pairing oral instructions with visuals
- Study Guides

- Preview content and concepts
- Project based learning
- Leveled rubrics
- Open-ended activities  on estimation of allowance for uncollectibles
- Choice of activities
- Think Pair Share

**Differentiations:**

- Small group instruction
- Small group assignments
- Extra time to complete assignments
- Pairing oral instruction with visuals
- Repeat directions
- Use manipulatives
- Center-based instruction
- Token economy
- Study guides
- Teacher reads assessments allowed
- Scheduled breaks
- Rephrase written directions
- Multisensory approaches
- Additional time
- Preview vocabulary
- Preview content & concepts
- Story guides
- Behavior management plan
- Highlight text
- Student(s) work with assigned partner
- Visual presentation
- Assistive technology
- Auditory presentations
- Large print edition
- Dictation to scribe
- Small group setting

**Hi-Prep Differentiations:**

- Alternative formative and summative assessments
- Choice boards
- Games and tournaments
- Group investigations
- Guided Reading
- Independent research and projects
- Interest groups
- Learning contracts
- Leveled rubrics

- Literature circles
- Multiple intelligence options
- Multiple texts
- Personal agendas
- Project-based learning
- Problem-based learning
- Stations/centers
- Think-Tac-Toes
- Tiered activities/assignments
- Tiered products
- Varying organizers for instructions

**Lo-Prep Differentiations**

- Choice of books or activities
- Cubing activities
- Exploration by interest
- Flexible grouping
- Goal setting with students
- Jigsaw
- Mini workshops to re-teach or extend skills
- Open-ended activities
- Think-Pair-Share
- Reading buddies
- Varied journal prompts
- Varied supplemental materials

## Special Education Learning (IEP's & 504's)

- Provide modifications as dictated in the student's IEP/504 plan
- Additional Time on construction of plant records and depreciation models
- Alternative assessment strategies (ex. Verbal as opposed to google assessment) related to inventory determinations
- Modified assessments related to analyzing transactions and posting depreciation expense
- Preferential seating
- Peer mentoring

- printed copy of board work/notes provided

- additional time for skill mastery
- assistive technology
- behavior management plan
- Center-Based Instruction
- check work frequently for understanding
- computer or electronic device utilizes
- extended time on tests/ quizzes
- have student repeat directions to check for understanding
- highlighted text visual presentation
- modified assignment format
- modified test content
- modified test format
- modified test length
- multi-sensory presentation
- multiple test sessions
- preferential seating
- preview of content, concepts, and vocabulary
- Provide modifications as dictated in the student's IEP/504 plan
- reduced/shortened reading assignments
- Reduced/shortened written assignments
- secure attention before giving instruction/directions
- shortened assignments
- student working with an assigned partner
- teacher initiated weekly assignment sheet
- Use open book, study guides, test prototypes

## English Language Learning (ELL)

- Translation of content/activities (Port of Entry) related to terms and concepts of receivables, depreciation and inventory
- Assignments submitted in native language (Port of Entry)
- Modifying assignments for constrution of plant asset records
- Review assignment/project directions (model)
- Open book/notes options
- Tutoring by peers on estimation of uncollectibles
- Modifying tests to reflect selected objectives

- teaching key aspects of a topic.  Eliminate nonessential information
- using videos, illustrations, pictures, and drawings to explain or clarif
- allowing products (projects, timelines, demonstrations, models, drawings, dioramas, poster boards, charts, graphs, slide shows, videos, etc.) to demonstrate student's learning;
- allowing students to correct errors (looking for understanding)
- allowing the use of note cards or open-book during testing
- decreasing the amount of workpresented or required
- having peers take notes or providing a copy of the teacher's notes
- modifying tests to reflect selected objectives
- providing study guides
- reducing or omitting lengthy outside reading assignments
- reducing the number of answer choices on a multiple choice test
- tutoring by peers
- using computer word processing spell check and grammar check features
- using true/false, matching, or fill in the blank tests in lieu of essay tests

## At Risk

- Peer tutoring on estimations of uncollectibles
- Correction and resubmission of work related to plant asset record construction
- Model concepts related to inventory and depreciation methods utilized
- Evaluating correct work; collaborating with student on incorrect work

- allowing students to correct errors (looking for understanding)
- teaching key aspects of a topic.  Eliminate nonessential information
- allowing products (projects, timelines, demonstrations, models, drawings, dioramas, poster boards, charts, graphs, slide shows, videos, etc.) to demonstrate student's learning
- allowing students to select from given choices
- allowing the use of note cards or open-book during testing
- collaborating (general education teacher and specialist) to modify vocabulary, omit or modify items to reflect objectives for the student, eliminate sections of the test, and determine how the grade will be determined prior to giving the test.
- decreasing the amount of workpresented or required
- having peers take notes or providing a copy of the teacher's notes
- marking students' correct and acceptable work, not the mistakes
- modifying tests to reflect selected objectives
- providing study guides
- reducing or omitting lengthy outside reading assignments
- reducing the number of answer choices on a multiple choice test

- tutoring by peers
- using authentic assessments with real-life problem-solving
- using true/false, matching, or fill in the blank tests in lieu of essay tests
- using videos, illustrations, pictures, and drawings to explain or clarify

## Talented and Gifted Learning (T&G)

- Complete activities above grade level
- Advanced problem-solving and construction of plant asset records utilizing analysis of transactions related to inventory and depreciation
- Teacher-selected instructional strategies (simulations) focused to provide challenge, engagement, and growth opportunities in determining real vs. personal property; assesed values and related decision-making
- Simulated project modules utilizing technology at higher level to prepare financial statements including interpretations of results
- Higher order, critical and creative thinking skills, and discovery

- Above grade level placement option for qualified students
- Advanced problem-solving
- Allow students to work at a faster pace
- Cluster grouping
- Complete activities aligned with above grade level text using Benchmark results
- Create a blog or social media page about their unit
- Create a plan to solve an issue presented in the class or in a text
- Debate issues with research to support arguments
- Flexible skill grouping within a class or across grade level for rigor
- Higher order, critical & creative thinking skills, and discovery
- Multi-disciplinary unit and/or project
- Teacher-selected instructional strategies that are focused to provide challenge, engagement, and growth opportunities
- Utilize exploratory connections to higher-grade concepts
- Utilize project-based learning for greater depth of knowledge

## Sample Lesson

**Unit Name:** The Accounting Equation

**NJSLS:**

9.3.12.FN-ACT.2-3; 9.3.12.FN-BF.1

**Interdisciplinary Connection:**

LA.RST.11-12.4-5

Mathematical Functions; Equations

**Statement of Objective:**

SWDAT classify accounts as assets, liabilities, or owner's equity by working in groups and sharing a class discussion. Students will demonstrate the relationships between assets, liabilities, and owner's equity in the accounting equation at 85% accuracy.

**Anticipatory Set/Do Now:**

In groups, share knowledge of conepts related to *account classification*

**Learning Activity:**

Demonstrate and explain assets, liabilities, and owner's equity, followed by student application of concepts as they analyze Accounting equation scenarios.

**Student Assessment/CFU's:**

- Anticipatory set readouts
- Teacher observation
- Rubric
- Exit Tickets

**Materials:**

Chromebooks; Textbooks; SMART TV; Google Classroom

**21st Century Themes and Skills:**

- Financial, Economic, business and Entrepreneurial Literacy
- Global Awareness

**Differentiation/Modifications:**

Small group instruction; leveled rubrics; pairing oral instruction w/visuals; guided demonstration; higher-level questioning; additional time; incorporate modifications per IEPs/504s

**Integration of Technology:**

Smart TV (teacher and student for presentation); Chromebooks for use with Internet and Google apps; Google classroom