

# Unit 09: Accounting for Plant Assets and Depreciation

Content Area: **Business**  
Course(s): **Accounting II**  
Time Period: **4 weeks**  
Length: **2 weeks - as time permits**  
Status: **Published**

## Unit Overview

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Students will be able to account for and analyze plant assets and depreciation for a merchandising business organized as a corporation.

## Transfer

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Students will be able to independently use their learning enabling them to plan, record, analyze, and interpret financial information to make sound business decisions.

## Meaning

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## Understandings

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Students will understand ...

- Accounting terms related to plant assets and depreciation
- Accounting concepts and practices related to plant assets and depreciation
- The buying of a plant asset and the paying of property tax
- Depreciation expense and book value using the straight-line method of depreciation
- Plant asset records and annual depreciation expense
- Entries related to disposing of plant assets
- How and when to calculate depreciation expense using the double-declining method and how to compare methods of depreciation

## Essential Questions

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Students will keep considering...

- Who determines the assessed value of plant assets?
- What items are considered real property?
- How do you record the buying of a plant asset?

- How and when do you record paying property tax?
- What accounting concept is being applied when depreciation expense is recorded for plant assets?
- How do you calculate straight-line depreciation?
- How do you record accumulated depreciation and still maintain original cost of the plant asset?
- How does recording depreciation expense affect the balance of the asset account?
- How do you record the disposal of a plant asset? Why must you do this?
- How is the calculation and recording of partial year depreciation different from full year?
- How do you classify loss and gain on plant assets?
- How do you calculate double-declining depreciation on a plant asset?
- How do you determine which depreciation method is best for your business?

## **Application of Knowledge and Skill**

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### **Students will know...**

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Students will know...

- Accounting terms related to plant assets and depreciation
- Accounting concepts and practices related to plant assets and depreciation
- The buying of a plant asset and the paying of property tax
- Depreciation expense and book value using the straight-line method of depreciation
- Plant asset records and annual depreciation expense
- Entries related to disposing of plant assets
- How and when to calculate depreciation expense using the double-declining method and how to compare methods of depreciation

### **Students will be skilled at...**

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Students will be skilled at...

- Define accounting terms related to plant assets and depreciation
- Apply accounting concepts and practices related to plant assets and depreciation
- Recording the buying of a plant asset and the paying of property tax
- Calculating depreciation expense and book value using the straight-line method of depreciation
- Preparing plant asset records and journalizing annual depreciation expense
- Recording entries related to disposing of plant assets
- Calculating depreciation expense using the double-declining method and comparing methods of depreciation

## Academic Vocabulary

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- Accounting terms related to...plant assets, depreciation, declining – balance method, etc.

## Learning Goal 1

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Students will be able to to account for and analyze Plant Assets and Depreciation.

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CRP.K-12.CRP8	Utilize critical thinking to make sense of problems and persevere in solving them.
CRP.K-12.CRP11	Use technology to enhance productivity.
PFL.9.1.12.B.1	Prioritize financial decisions by systematically considering alternatives and possible consequences.
PFL.9.1.12.D.11	Assess the role of revenue-generating assets as mechanisms for accruing and managing wealth.
PFL.9.1.12.E.2	Analyze and apply multiple sources of financial information when prioritizing financial decisions.
PFL.9.1.12.E.3	Determine how objective, accurate, and current financial information affects the prioritization of financial decisions.
PFL.9.1.12.E.5	Evaluate business practices and their impact on individuals, families, and societies.
PFL.9.1.12.G.1	Analyze risks and benefits in various financial situations.
CAEP.9.2.12.C.9	Analyze the correlation between personal and financial behavior and employability.
TECH.8.1.12.A.CS2	Select and use applications effectively and productively.

## Target 1

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Students will be able to record the buying of a plant asset and the paying of property tax.

- • Record the buying of a plant asset and the paying of property tax.

## Target 2

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Students will be able to calculate depreciation expense and book value using the straight-line method of depreciation.

- Students will be able to calculate depreciation expense and book value using the straight-line method of depreciation.

## Target 3

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Students will be able to prepare plant asset records and journalize annual depreciation expense.

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#### **Target 4**

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Students will be able to record and analyze entries related to disposing of plant assets.

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#### **Target 5**

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Students will be able to calculate depreciation expense using the double-declining method and compare methods of depreciation

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#### **Formative Assessment and Performance Opportunities**

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- Class discussion
- Collection of vocab
- Presentation of ideas
- Review of workpapers
- Teacher observation
- Use of technological resources for quick assesement i.e. Socrative.com

#### **Summative Assessment**

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- Chapter Test
- Toy Car Challenge

#### **Accommodations/Modifications**

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- Application Problems for extra practice
- Cases for critical thinking at the end of the chapter
- Recycle Problem for extra credit
- Students work collaboratively to account for plant assets and depreciation

#### **Unit Resources**

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Teacher can choose from the following resources:

- Book Companion Website
- Century 21 Accounting 9E
- Century 21 Accounting Simulation
- Chapter PowerPoints
- Computer
- Document Camera
- Guest Speakers
- Interactive Excel Spreadsheets
- Quickbooks
- Videos
- Whiteboards
- Workbook

## **Interdisciplinary Connections**

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LA.RST.11-12.3	Follow precisely a complex multistep procedure when carrying out experiments, taking measurements, or performing technical tasks; analyze the specific results based on explanations in the text.
LA.RST.11-12.4	Determine the meaning of symbols, key terms, and other domain-specific words and phrases as they are used in a specific scientific or technical context relevant to grades 11-12 texts and topics.
MA.S-IC.B.6	Evaluate reports based on data.
MA.S-MD.A	Calculate expected values and use them to solve problems
LA.WHST.11-12.9	Draw evidence from informational texts to support analysis, reflection, and research.