Learn Your ABCD's in Accounting

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Accounting is the language of business. It is an essential aspect of every business institution and organization. As future workers, small business owners, entrepreneurs, citizens, parents, and investors, students will plan, record, analyze and interpret financial information utilizing generally accepted accounting procedures and concepts to be better prepared to make decisions that will affect their own economic futures or those of their employers. (*ABCD's: Accounting, Bookkeeping, Credits, and Debits*)

The Accounting Profession

Understand the role that accountants play in business and society

1. Describe how current events impact the accounting profession
2. Explain the need for a code of ethics in accounting and the ethical responsbilities required of accountants
3. Explain how accounting information is used to allocate resources in the business and personal decision-making process

Describe career opportunities in the accounting profession

4. Identify professional designations and certifications in the accounting profession
5. Describe the educational requirements for various careers, professional designations, and certifications in the accounting profession
6. Describe the skills and competencies needed to be successful in the accounitng profession
7. Describe the areas of specialization within the accounting profession as well as careers that require a knowlede of accounting

The Accounting Process

Complete and explain the purpose of the various steps in the accounting cycle using (GAAP) generally accepted accounting principles in order to prepare financial statements

1. Describe and explain the conceptual framework of accounting and the accounting system
2. Define and classify items as assets, liabilities, equity, revenue, and

expenses

3. Demonstrate an understanding of the fundamental accounting equation
4. Describe the purpose of the revenue, expense, and drawing accounts, and illustrate the effects on owner's equity
5. Distinguish between accounting and bookkeeping
6. Analyze business transactions using source documents, and describe the effects on the accounting equation
7. Explain the double-entry system of accounting and apply debit and credit rules when analyzing business transactions
8. Explain the purpose of the journal and the purpose of journalizing business transacations
9. Analyze the relationship of the journal to the ledger
10. Explain the purpose of a ledger account, and post information from the journal to the ledger
11. Explain the need for adjusting entries, and record adjusting entries
12. Explain the purposes of the closing process, and record closing entries
13. Prepare financial statements for the various types of business operations and ownership structures
14. Describe the relationship between the closing process, financial statements, and the post-closing trial balance

Accounting Principles

Identify and apply generally accepeted accounting principles to determine the value of assets, liabilites, and owner's equity

1. Explain the accounting methods used to determine the value of accounts receivable to be reported on the balance sheet, and describe the effect on the income statement
2. Create and maintain accounts receivable and accounts payable subsidary ledgers
3. Students will be able to:
    - Define cash
    - Prepare bank reconciliations
    - Establish, maintain and reconcile petty cash and change accounts
    - Identify cash control techniques
    - Explain the benefits of electronic funds transfers, automated teller machine transactions, elecronic data interchange, automated bill

paying, and uses of a debit card

4. Record transactions for accounts payable and other short-term debt
5. Explain how operating results, capital contributions, and distribution of earnings affect equity for the various types of ownership structures
6. Explain the purposes of the capital and drawing accounts for a sole proprietorship and partnership
7. Apply appropriate accounting techniques to account for investments and withdrawals by owners
8. Describe the criteria used to determine revenue recognition, and record revenue-related transactions
9. Describe the criteria used to determine expense recognition, and record expense-related transactions
10. Distinguish between revenue and gains
11. Distinguish between expenses and losses
12. Record transactions resulting in gains and losses
13. Describe the different forms of business ownership and the advantages and disadvantages of each form (sole proprietorships, partnerships, corporations, and limited liability companies (LLC))

Financial Reports

Develop an understanding and working knowledge of an annual report and financial statements

1. Identify sources for obtaining financial reports; research and analyze financial statements of corporations using a variety of sources
2. Describe the users and uses of financial information
3. Describe the information provided in each financial statement and how the statements are used in conjunction with one another
4. Describe the relationship between assets, liabilites, and equity on the balance sheet
5. Identify and explain the classifications within assets, liabilities, and equity
6. Identify the classifications in an income statement and explain their relationship to each other (revenue, expense, gains, losses)