

**BUSINESS & COMPUTER SCIENCE**

**Accounting I**

**Unit 10: Journalizing Sales and Cash Receipts**

<p><b>Essential Understandings</b></p>	<ul style="list-style-type: none"> <li>▪ Journalizing purchases and sales of merchandise are two major activities of a merchandising business.</li> </ul>
<p><b>Essential Questions</b></p>	<ul style="list-style-type: none"> <li>▪ What are the steps used to journalize transactions in a sales and cash receipts journal?</li> <li>▪ What is a sales journal?</li> <li>▪ What is a cash receipts journal?</li> <li>▪ When is it appropriate to use each journal?</li> <li>▪ How are sales returns journalized?</li> <li>▪ What account is used to record a sales return?</li> <li>▪ How are credit card sales recorded and journalized?</li> <li>▪ What transactions are recorded in the general journal?</li> </ul>
<p><b>Essential Knowledge</b></p>	<ul style="list-style-type: none"> <li>▪ A sales journal is used to record sales on account.</li> <li>▪ A cash receipts journal is used to record cash receipt transactions.</li> <li>▪ A separate amount column is used in each journal to record sales tax, and sales discount.</li> <li>▪ The steps to record a transaction in a sales journal are:             <ul style="list-style-type: none"> <li>○ Write the date in the date column.</li> <li>○ Write the customer name in the account debited column.</li> <li>○ Write the sales invoice number in the sales number column.</li> <li>○ Write the total amount owed by the customer in the accounts receivable debit column.</li> <li>○ Write the sales amount in the sales credit column.</li> <li>○ Write the sales tax amount in the sales tax payable credit column.</li> </ul> </li> <li>▪ The steps to record a transaction in the cash receipts journal are:             <ul style="list-style-type: none"> <li>○ Write the date in the date column.</li> <li>○ Write the customer name or appropriate account name in the account title column.</li> <li>○ Write the receipt number in the document number column.</li> <li>○ Write the credit/debit amount in the general amount column or a special amount column.</li> <li>○ Write the debit amount in the cash debit column.</li> </ul> </li> <li>▪ The account used to record a return of sales is “Sales Return and Allowances”.</li> <li>▪ Credit card sales in the cash receipt journal follow the same steps as other entries recorded in the journal.</li> <li>▪ The general journal is used to record transactions that are not recorded in special journals (purchases, sales, cash receipts, and cash payments).</li> </ul>
<p><b>Vocabulary</b></p>	<ul style="list-style-type: none"> <li>▪ <u>Terms:</u> <ul style="list-style-type: none"> <li>○ customer, sales tax, sales journal, cash sale, credit card sale, point-of-sale (POS) terminal, terminal summary, batch report, batching out, cash receipts journal, sales discount,</li> </ul> </li> </ul>

**BUSINESS & COMPUTER SCIENCE**

**Accounting I**

**Unit 10: Journalizing Sales and Cash Receipts**

<p><b>Essential Skills</b></p>	<p>sales return, sales allowance, credit memorandum</p> <ul style="list-style-type: none"> <li>▪ Define accounting terms related to sales and cash receipts for a merchandising business.</li> <li>▪ Identify accounting concepts and practices related to sales and cash receipts for a merchandising business.</li> <li>▪ Journalize sales on account using a sales journal.</li> <li>▪ Journalize cash receipts using a cash receipts journal.</li> <li>▪ Journalize sales returns and allowances using a general journal.</li> </ul>
<p><b>Related Maine Learning Results</b></p>	<p><u>Career and Education Development</u>                  B. Learning About and Exploring Education, Career, and Life Roles                  B2. Skills for Individual/Personal Success in the 21<sup>st</sup> Century                  Students evaluate strategies to improve skills that lead to lifelong learning and success in the classroom, and the achievement of schoolwork, work and career, and personal life goals.                  a. Literacy skills                  b. Numeracy                  c. Critical thinking skills                  d. Information and communication technology (ICT) literacy                  e. Interpersonal skills                  f. Other academic skills and knowledge                  B3. Education and Career Information                  Students use previously acquired knowledge and skills to evaluate and utilize a variety of resources to articulate a plan and make decisions for post-secondary education, training, and career choices.</p> <p><u>Mathematics</u>                  B. Data                  Data Analysis                  B2. Students understand correlation and cause and effect.                  a. Recognize when correlation has been confused with cause and effect.                  b. Create and interpret scatter plots and estimate correlation and lines of best fit.                  c. Recognize positive and negative correlations based on data from a table or scatter plot.                  d. Estimate the strength of correlation based upon a scatter plot.</p>

**BUSINESS & COMPUTER SCIENCE**

**Accounting I**

**Unit 10: Journalizing Sales and Cash Receipts**

<p><b>Related Maine Learning Results</b></p>	<p>B3.Students understand and know how to describe distributions and find and use descriptive statistics for a set of data.</p> <ol style="list-style-type: none"> <li>a. Find and apply range, quartiles, mean absolute deviation, and standard deviation (using technology) of a set of data.</li> <li>b. Interpret, give examples of, and describe key differences among different types of distributions: uniform, normal, and skewed.</li> <li>c. For the sample mean of normal distributions, use the standard deviation for a group of observations to establish 90%, 95%, or 99% confidence intervals.</li> </ol> <p>B4.Students understand the purpose of random sampling is to reduce bias when creating a representative sample for a set of data.</p> <ol style="list-style-type: none"> <li>a. Describe and account for the difference between sample statistics and statistics describing the distribution of the entire population.</li> <li>b. Recognize that sample statistics produce estimates for the distribution of an entire population and recognize that larger sample sizes will produce more reliable estimates.</li> <li>c. Apply methods of creating random samples and recognize possible sources of bias in samples.</li> </ol>
<p><b>Sample Lessons And Activities</b></p>	<ul style="list-style-type: none"> <li>▪ Complete journal transactions for sales and cash receipts journal.</li> </ul>
<p><b>Sample Classroom Assessment Methods</b></p>	<ul style="list-style-type: none"> <li>▪ Tests</li> <li>▪ Quiz</li> <li>▪ Assignments</li> <li>▪ Class Work</li> </ul>
<p><b>Sample Resources</b></p>	<ul style="list-style-type: none"> <li>▪ <u>Publications:</u> <ul style="list-style-type: none"> <li>○ <u>Century 21 Accounting</u> – Southwest Cengage Learning</li> </ul> </li> </ul>