

**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>

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<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.</p> <ul style="list-style-type: none"> <li>a. Literacy skills</li> <li>b. Numeracy</li> <li>c. Critical thinking skills</li> <li>d. Information and communication technology (ICT) literacy</li> <li>e. Interpersonal skills</li> <li>f. Other academic skills and knowledge</li> </ul> <p>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.</p> <ul style="list-style-type: none"> <li>a. Recognize when correlation has been confused with cause and effect.</li> <li>b. Create and interpret scatter plots and estimate correlation and lines of best fit.</li> <li>c. Recognize positive and negative correlations based on data from a table or scatter plot.</li> <li>d. Estimate the strength of correlation based upon a scatter plot.</li> </ul>

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<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>