BUSINESS & COMPUTER SCIENCE
Accounting I
Unit 16: Recording, Adjusting and Closing Entries for a Corporation

Essential Understandings	- The post-closing trial balance is prepared to prove the equality of debits and credits. - Adjusting entries are recorded in the journal to bring general ledger account balances up to date. - Closing entries are completed to prepare the temporary accounts for the next fiscal period.
Essential Questions	- What journal is used to record adjusting and closing entries? - Where is the information obtained for journalizing the adjusting and closing entries? - What are the four closing entries used by a corporation? - What is the post-closing trial balance? - What accounts are listed on the post-closing trial balance? - What is the accounting cycle for a merchandising business?
Essential Knowledge	- The general journal is used to record adjusting and closing entries. - The information used to record the adjusting and closing entries come from the completed work sheet. - The four closing entries used by a corporation are: - Income statement accounts with a credit balance (sales, purchases discount, purchases return and allowances). - Income statement accounts with a credit balance (all expenses and purchases accounts). - Entry to record net income or loss: (retained earnings). - Entry to close dividends. - A post-closing trial balance is prepared to prove the equality of debits and credits in the general ledger and prepare the ledger for the next fiscal period. - Assets, liabilities, and owner's equity accounts (permanent accounts) are listed on the post-closing trial balance. - The accounting cycle for a merchandising business include: - Source documents are gathered. - Transactions are recorded in the appropriate journals. - Journal entries are posted to the appropriate ledger accounts. - Schedule of accounts payable and receivable are prepared. - A worksheet is prepared. - Financial statements are completed. - Adjusting and closing entries are journalized. - Adjusting and closing entries are posted to the appropriate ledger accounts. - Post-closing trial balance is prepared.
Vocabulary	- Terms: - adjusting entries, closing entries, accounting cycle

BUSINESS & COMPUTER SCIENCE
Accounting I
Unit 16: Recording, Adjusting and Closing Entries for a Corporation

Essential Skills	▪ Identify accounting concepts and practices related to adjusting and closing entries for a merchandising business organized as a corporation. ▪ Record adjusting entries. ▪ Record closing entries for income statement accounts. ▪ Record closing entry for dividends. ▪ Prepare a post-closing trial balance.

Related Maine Learning Results	<u>Career and Education Development</u>
	B. Learning About and Exploring Education, Career, and Life Roles
	    B2.Skills for Individual/Personal Success in the 21st 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
	<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.
	  B3.Students understand and know how to describe distributions and find and use descriptive statistics for a set of data.
	    a. Find and apply range, quartiles, mean absolute deviation, and standard deviation (using technology) of a set of data.
	    b. Interpret, give examples of, and describe key differences among different types of distributions: uniform, normal, and skewed.
	    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.

BUSINESS & COMPUTER SCIENCE
Accounting I
Unit 16: Recording, Adjusting and Closing Entries for a Corporation

Related Maine Learning Results	B4. Students understand the purpose of random sampling is to reduce bias when creating a representative sample for a set of data.
	  a. Describe and account for the difference between sample statistics and statistics describing the distribution of the entire population.
	  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.
	  c. Apply methods of creating random samples and recognize possible sources of bias in samples.
	Probability
	B5. Students understand the relationship to relative frequency and know how to find the probability of compound events.
	  a. Find the expected frequency of an event.
	  b. Find the expected value of events.
	  c. Find the probability of compound events including independent and dependent events.
	D. Algebra
	  Symbols and Expressions
	D1. Students understand and use polynomials and expressions with rational exponents.
	  a. Simplify expressions including those with rational exponents.
	  b. Add, subtract, and multiply polynomials.
	  c. Factor the common term out of polynomial expressions.
	  d. Divide polynomials by $(ax + b)$.

Sample Lessons And Activities	▪ Complete a post-closing trial balance.
Sample Classroom Assessment Methods	▪ Tests ▪ Quiz ▪ Assignments ▪ Project
Sample Resources	▪ Publications: o Century 21 Accounting – Southwest Cengage Learning