

Accounting 2

Implement start year – 2018-2019

Revision Committee Members, email, extension:

Pat Costello, pcostello@lrhsd.org, Seneca High School, 609-268-4600 X8392

Mike Smith, msmith@lrhsd.org, Lenape High School, 609-654-5111 X8958

Rick Bozarth, rbozarth@lrhsd.org, Shawnee High School, 609-654-7544 X8344

Jack Lamplugh, jlamplugh@lrhsd.org, Cherokee High School, 856-983-5140 X8609

Unit #3 – Accounting for Plant Assets and Depreciation

Transfer Goal –

Students will be able to independently use their learning to know that assets depreciate over time.

Stage 1 – Desired Results

Established Goals

[2014 New Jersey Student Learning Standards, Strand\(s\)/CPI #](#)

- 9.3.12.FN-ACT.1 Describe and follow laws and regulations to manage accounting operations and transactions.
- 9.3.12.FN-ACT.2 Utilize accounting tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.
- 9.3.12.FN-ACT.3 Process, evaluate and disseminate financial information to assist business decision making.

21st Century Themes

(www.21stcenturyskills.org)

- Global Awareness
- Financial, Economic, Business and Entrepreneurial Literacy
- Civic Literacy
- Health Literacy
- Environmental Literacy

21st Century Skills

Learning and Innovation Skills:

- Creativity and Innovation
- Critical Thinking and Problem Solving
- Communication and Collaboration

Information, Media and Technology Skills:

- Information Literacy
- Media Literacy
- ICT (Information, Communications and Technology) Literacy

Life and Career Skills:

	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Flexibility and Adaptability <input checked="" type="checkbox"/> Initiative and Self-Direction <input checked="" type="checkbox"/> Social and Cross-Cultural Skills <input checked="" type="checkbox"/> Productivity and Accountability <input checked="" type="checkbox"/> Leadership and Responsibility
<p><u>Enduring Understandings:</u> <i>Students will understand that ...</i></p> <p><i>EU 1</i></p> <ul style="list-style-type: none"> • Some assets are used for more than one accounting period, so the cost of these assets needs to be spread over a number of years. <p><i>EU 2</i></p> <ul style="list-style-type: none"> • The book value of plant assets is essential for accurate reporting on financial statements and decision making. <p><i>EU 3</i></p> <ul style="list-style-type: none"> • Depreciation calculations are based on estimations and are reflected on the financial statements for the life of the asset. 	<p><u>Essential Questions:</u></p> <p><i>EU 1, EU 2</i></p> <ul style="list-style-type: none"> • Why would a business choose one depreciation method over another? <p><i>EU 1, EU 2, EU 3</i></p> <ul style="list-style-type: none"> • How would not depreciating a plant asset affect your accounting records? <p><i>EU 2</i></p> <ul style="list-style-type: none"> • How do various methods of depreciation affect financial statements?
<p><u>Knowledge:</u> <i>Students will know . . .</i></p> <p><i>EU 1, EU 2, EU 3</i></p> <ul style="list-style-type: none"> • Vocabulary and accounting concepts for plant assets and depreciation. • The importance of journalizing depreciation expense. • The advantages/disadvantages of each depreciation method. <p><i>EU 2</i></p> <ul style="list-style-type: none"> • The process of buying and selling plant assets. <p><i>EU 1, EU 2</i></p> <ul style="list-style-type: none"> • The book value of plant assets. <p><i>EU 2, EU 3</i></p>	<p><u>Skills:</u> <i>Students will be able to . . .</i></p> <p><i>EU 1, EU 2, EU 3</i></p> <ul style="list-style-type: none"> • Calculate the Double-Declining Balance method of depreciation. • Record the sale of a plant asset for more or less than book value. • Analyze a plant asset's depreciation expense for a partial year. • Compute accumulated depreciation and book value. • Determine depreciation expense for part of the year. <p><i>EU 1, EU 3</i></p> <ul style="list-style-type: none"> • Calculate Straight-Line depreciation. • Journalize annual depreciation expense • Post an adjusting entry for depreciation expense <p><i>EU 2</i></p>

<ul style="list-style-type: none"> • The procedure for journalizing the disposal of plant assets. <p><i>EU 3</i></p> <ul style="list-style-type: none"> • The method to determine depreciation expense. 	<ul style="list-style-type: none"> • Prepare plant asset records. • Record the sale of a plant asset for book value. • Record the purchase of plant assets.
---	--

Stage 2 – Assessment Evidence

Other Recommended Evidence: *Tests, Quizzes, Prompts, Self-assessment, Observations, Dialogues, etc.*

- Answer unit questions
- Define vocabulary terms
- Completion of a multiple choice/matching/true and false Plant Asset and Depreciation Study Guide
- Completion of accounting practice problems
- Test and quizzes on unit content
- Practice Set/Reinforcement Activity

Stage 3 – Learning Plan

Suggested Learning Activities to Include Differentiated Instruction and Interdisciplinary Connections: *Consider the WHERETO elements. Each learning activity listed must be accompanied by a learning goal of A=Acquiring basic knowledge and skills, M=Making meaning and/or a T=Transfer.*

In this unit on accounting for plant assets and depreciation, you are to introduce Enduring Understandings and Essential Questions and the students need to know how to calculate different methods of depreciation and that all calculations are based on estimates.

- Define unit terms and concepts **(A)**
- Analyze and record depreciation utilizing the straight-line and double declining balance methods. **(A)**
- Compare and contrast the two methods of depreciation **(M)**
- Afford opportunities for students to express levels of concern and understanding. **(M)**
- Record the sale of an asset for book value, more than book value, and less than book value. **(A, M)**
- Recording Transactions for Plant Assets **(T)**
- Calculating a Partial Years' Depreciation Using the Double Declining-Balance Methods **(T)**
- Unit Test **(T)**
- Journalizing Plant Assets **(A, M, T)**
- Calculating Straight-line Depreciation **(A, M, T)**

- Preparing Plant Asset Record **(A, M, T)**
- Journalizing Annual Depreciation Expense **(A, M, T)**
- Recordings the Disposal of Plant Assts **(A, M, T)**
- Calculating Depreciation Using the Double-Declining Balance Method **(A, M, T)**
- Explain why depreciation is considered a non-monetary expense. **(M, T)**
- Take a graded assignment and explain where you made a mistake(s) and what you would do to fix it. **(M, T)**
- Use formative assessments and summative assessments for basic student understanding. **(M, T)**

Ensure that there are ongoing cycles of model, practice, feedback, and adjustment built into the unit.