

Accounting -- Financial Statements For A Proprietorship

Summary

Introduction of the financial statements for a proprietorship set up as a service business. Introduction of the need for financial statements at the end of each fiscal period. Introduction of the income statement, the different sections of the income statement, the accounts to be included on the income statement and how to use the totals from the income statement to figure the appropriate component percentages for the business. Review the balance sheet, the different sections of the balance sheet, the accounts to be included on the balance sheet, and making sure that debits equals credits. Introduction of the current capital in regards to owner's capital, how to use the total of the balance sheet to see if the company is keeping the accounting equation in check. Discussion on how to use the information from the income statement and the balance sheet to analyze the company's financial position.

Main Core Tie

Accounting 1

[Strand 5 Standard 2](#)

Additional Core Ties

Accounting 1

[Strand 1](#)

Accounting 1

[Strand 5](#)

Time Frame

2 class periods of 90 minutes each

Materials

Teacher Outline With Answers. Student Outline. Online Vocabulary Activities. Online Chapter Quiz. Chapter Rubric.

Background for Teachers

Students learn about financial statements prepared for the transactions of the past fiscal year, how to read the transactions and communicate the results with the owner or manager to help them make good business decisions.

Intended Learning Outcomes

An introduction, review games and quiz on preparing financial statements (Income Statement and Balance Sheet), reading, understanding and communicating the results with owners and managers.

Instructional Procedures

Print out the Teacher Outline with Answers. Print out the Student Outline. Handout the Student Outline. Introduce the chapter information to the students, having the students following along by filling in the student outline. Have the students complete the online activities and quiz.

Strategies for Diverse Learners

Online Activities

Assessment Plan

Chapter rubric. All students will turn in their chapter outline and play the various online games for students to review vocabulary. Online chapter quiz.

Bibliography

Century 21 Accounting South Western Publishing 6th edition, 1995

Authors

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