# **Accounting Level 2 Course Outline 2**

# Guide to aid teacher planning only – designed to be printed or viewed in A3, landscape.

## Purpose

This example Course Outline has been produced to help teachers and schools understand the new NCEA Learning and Assessment matrices. The course outline could be used to create a year-long programme of learning. It will give teachers ideas of how the new standards might work to assess the curriculum at a particular level.

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| **Significant Learning** | **Learning activities and assessment opportunities**  Throughout the year assessment for learning happens often. Evidence may also be collected for summative assessment. | **Duration**  Total of 32 weeks |
| Investigate how pūtake informs financial and non-financial decision making  Explore taxation obligations for small to medium entities  Understand accounting elements and apply the accounting equation for small to medium entities  Explore different types of business and the financial knowledge associated with them | Discuss kaitiakitanga in accounting: the meaning of stewardship, looking after your own and other people’s resources, and how financial information helps with stewardship.  Investigate the different types of entities – relate to a local context. What types of entities are in the school’s surrounding area – businesses, iwi, hapū, non-profit organisations, companies.  Discuss what pūtake is – compare an iwi, a charity, a sole proprietor, and a small business, thinking about how an entity’s origins and reasons for being affect what financial decisions it will and will not make.  Explore who the users of accounting are. Relate to a local context.  Examine the pūtake of different types of entities.  Investigate the different types of accounting such as financial, tax, management, auditing. Understand the career pathways associated with these different types of accounting.  Understand the accounting equation Assets + Expenses = Liabilities + Income + Equity.  Recognise the elements in the accounting equation and their definitions. | 2 weeks |
| Use journals and ledgers to process financial information  Prepare financial statements incorporating simple balance day adjustments for small to medium entities | Study the impacts that transactions have on the Accounting Equation including the debit and credit rules.  Learn the layout of the General Journal and General Ledger and its use in the Accounting Cycle.  Process transactions in the General Journal and then post to the General Ledger to prepare a Trial Balance.  Understand the purpose of the different types of financial statements – limited to Income Statement (Statement of Financial Performance) and Balance Sheet (Statement of Financial Position).  Explore the types of entities that will prepare these financial statements and their differing pūtake.  Use the general journal to record balance day adjustments for income owed, income received in advance, expenses owing, prepaid expenses, invoices on hand, bad debts, doubtful debts, depreciation (straight line and diminishing value), and revaluation of inventory.  Prepare general ledger accounts for all financial elements, including balance day adjustments and closing entries.  Prepare a fully classified Income Statement for a service entity.  Prepare a fully classified Income Statement for a trading entity who uses a perpetual inventory system.  Prepare a fully classified Statement of Financial Position with notes for accounts receivable, investments and property, and plant and equipment.  Prepare fully classified financial statements for an entity that is relevant to the local community, such as a marae or community organisation, and understand the difference between these financial statements and those of a business.  This topic will build knowledge for the assessment of ***2.3 Prepare financial statements to communicate the financial position of a sole proprietor*** CAA in week 9 of term 2. | 8 weeks |
| Use financial and non-financial information to aid in decision-making  Explore different perspectives on multiple bottom-line frameworks, including mātauranga Māori and Pacific values and contexts  Investigate contemporary issues in accounting by considering the accounting concepts present and problems or opportunities that arise | Calculate the analysis measures for Profitability, Liquidity, Financial Stability and Management Effectiveness from an entity’s financial statements.  Explore the trends in analysis measures for an entity over time by understanding if the trends are positive or negative for the entity based on their pūtake.  Make recommendations based on the trends in the analysis measures and the pūtake of the entity.  Explore the non-financial information relevant to the entity in terms of their pūtake.  Discuss different bottom lines and how they might apply to an entity. Think about potentially difficult decisions balancing social, environmental, financial, and other impacts.  Visit a local entity to explore the impact of COVID-19 on the entity. Calculate analysis measures from information from the entity (or hypothetical), explore the trends in the measures and make recommendations taking into consideration on the entity’s pūtake.  Work produced as part of this project will contribute to formative and summative assessment of ***2.1 Interpret financial and non-financial information to make a recommendation consistent with a stakeholder's pūtake*** | 6 weeks |
| Use journals and ledgers to process financial information  Prepare financial statements incorporating simple balance day adjustments for small to medium entities | Revise the preparation of the general journal, general ledger and financial statements including relevant notes.  Revise the balance day adjustments.  Revision and assessment of ***2.3 Prepare financial statements to communicate the financial position of a sole proprietor*** CAA in week 9 of term 2. | 2 weeks |
| Prepare financial statements incorporating simple balance day adjustments for small to medium entities | Prepare a Cash Budget for an entity showing estimated cash receipts, estimated cash payments, and the estimated closing bank balance over a specific time period.  This topic will build knowledge for the assessment of ***2.4 Use management accounting tools to make a decision that supports an entity's pūtake*** exam in November. | 2 weeks |
| Engage with level and context appropriate digital tools to process and report financial information.  Prepare financial statements incorporating simple balance day adjustments for small to medium entities | Explore different types of Accounting software packages available to process financial transactions.  Explore examples of operational reports available from an accounting software package.  Visit a local entity that uses an accounting software package and understand how they use the package to aid them in their decision making.  Understand the set-up of an accounting software package for an entity.  Understand how to set up new customers and suppliers using the accounting software package.  Explore the different types of chart of accounts available in an accounting software package.  Process financial transactions using an accounting software package.  Consider the types of transactions that need to be manually entered into the accounting software package.  Explore how the financial transactions impact on the operational reports in the accounting software package.  Work produced as part of this project will contribute to formative and summative assessment of ***2.2 Demonstrate understanding of accounting processing using software to measure progress towards a business goal.*** | 7 weeks |
| Use management accounting tools to facilitate decision-making.  Explore different perspectives on multiple bottom-line frameworks, including mātauranga Māori and Pacific values and contexts  Explore how mātauranga Māori and Pacific values and contexts as well as other perspectives and worldviews are integral to informed decision-making | Understand and calculate the relevant cost-profit-volume measures  Explore the different cost concepts associated with management accounting.  Explore the different types of budgets that aid in management decision making.  Consider the relationship between actual and budgeted figures for a Cash Budget and the impact these have on management decision making.  Prepare a cost-volume-profit graph to show breakeven, profit and loss.  Explore the different types of decisions that managers taking into consideration the entity’s pūtake.  Visit a local entity and explore the management decisions made by the entity.  This topic will build knowledge for the assessment of ***2.4 Use management accounting tools to make a decision that supports an entity's pūtake*** exam in November. | 5 weeks |