**North East School Division**

**Unpacking Outcomes**   
**Module 18: Steps 1-3 of Accounting cycle for Merchandising Business (Core)**

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| **Unpacking the Outcome** | | |
| Implement --> Steps 1-3 (accounting cycle) | | |
| **Outcome**(circle the verb and underline the qualifiers) | | |
| Implement steps 1-3 of the accounting cycle for a merchandising business. (See module 17 as they are being done at the same time) | | |
| **KNOW** | **UNDERSTAND** | **BE ABLE TO DO** |
| Vocabulary:  (These definitions should all be covered during module 16 and 17)  Accounting Cycle:   * analyze originating transaction data, journalize, post, prepare worksheets, prepare financial statements, journalize and post adjusting and closing entries, prepare post-closing trial balance (\*1)   Source Documents:   * till tape, invoices, memos, cash receipts, cheque stubs (\*2) | That  Your transactions are based on source documents (review from grade 10)  The steps of the Accounting Cycle are the same for all businesses (review from grade 10)  There are GAAP Accounting Principles that must be followed.  There are multi-journals used in processing transactions for merchandising businesses.  **For Indicators e through i see module 17** | 1. Review and summarize the eight steps in the accounting cycle \*1 for a merchandising business. 2. Distinguish differences in the accounting cycle for a merchandising business versus a service business. 3. Identify what source documents include \*2in a merchandising business. 4. Justify that no entry should be made unless it has a supporting document as related to the GAAP objectivity principle. 5. Analyze each source document and journalize appropriately for a merchandising business. 6. Execute a multi-journal system and/or an expanded combination journal (e.g., sales, purchases, cash receipts, cash payment) for a scenario/simulation of a merchandising business. 7. Post values to the general ledger and subsidiary ledgers such as accounts receivable and accounts payable. 8. Total and prove journal(s) debit columns equal credit columns. 9. Examine ways to prove the accuracy of posting (e.g., schedule of accounts payable, schedule of accounts receivable). |
| **ESSENTIAL QUESTIONS** | | |
| What are the differences between each of the special journals?  What are the types of transactions recorded in each type of special journal? | | |