




Central School

Home School Package

Year : 11 Accounting

HOME SCHOOL PACKAGE CONTENT

Week # 1

 Teacher	Name : Felix Subject : Accounting
 Date	
	Strand # 2 & Strand # 3 : Accounting Processing and Reporting.
 Learning outcomes	<ul style="list-style-type: none">• Posting transactions from journal to ledger.
 Introduction	The accounting cycle is the holistic process of recording and processing all financial transactions of a company, from when the transaction occurs, to its representation on the <u>financial statements</u> , to closing the accounts. One of the main duties of a <u>bookkeeper</u> is to keep track of the full accounting cycle from start to finish. The cycle repeats itself every fiscal year as long as a company remains in business.
	



Learners notes

What Is a Ledger in Accounting?

A ledger is a book containing accounts in which the classified and summarized information from the journals is posted as debits and credits. It is also called the second book of entry.

The [ledger](#) contains the information that is required to prepare financial statements. It includes accounts for assets, liabilities, owners' equity, revenues and expenses

Summary

	Increase	Decrease
Asset	Debit	Credit
Liability	Credit	Debit
Income/Revenue	Credit	Debit
Expense	Debit	Credit
Equity/Capital	Credit	Debit






Visual aids







Exercises





Refer to the 60 days Learning Package Week 10.

 Assignment	
 Assessment	Step 1 up to step 4 will be assessed in the mid year exams
 References	




WEEK 2 :






 Teacher	Name : Felix Subject : Accounting
 Date	
 	Strand # 2 & Strand # 3 : Accounting Proccessing and Reporting.
 	<ul style="list-style-type: none"> Preparing an Unadjusted Trial Balance.

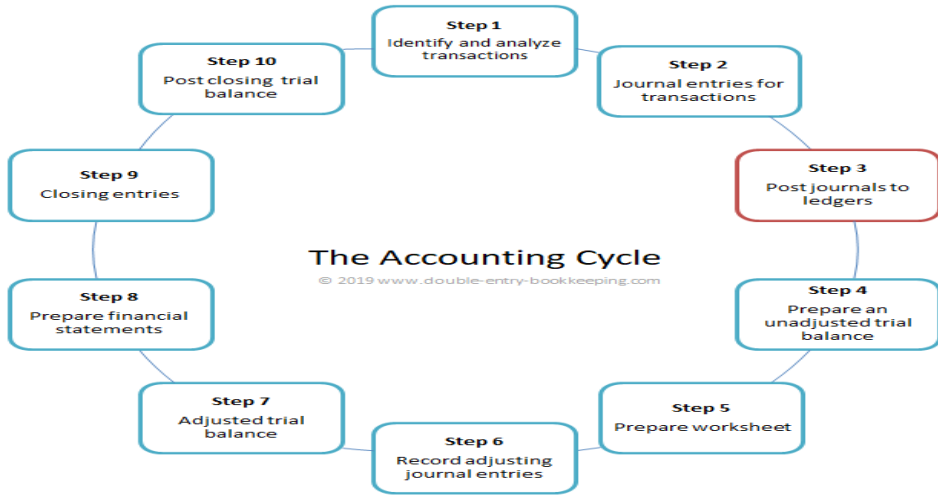




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	<h2>What is a trial Balance?</h2> <div><h3>What is a Trial Balance?</h3><p>Home > Trial Balance > Introduction</p><p>Trial Balance is a list of closing balances of ledger accounts on a certain date and is the first step towards the preparation of financial statements. It is usually prepared at the end of an accounting period to assist in the drafting of financial statements. Ledger balances are segregated into debit balances and credit balances. Asset and expense accounts appear on the debit side of the trial balance whereas liabilities, capital and income accounts appear on the credit side. If all accounting entries are recorded correctly and all the ledger balances are accurately extracted, the total of all debit balances appearing in the trial balance must equal to the sum of all credit balances.</p><h4>Purpose of a Trial Balance</h4><ul style="list-style-type: none">• Trial Balance acts as the first step in the preparation of financial statements. It is a working paper that accountants use as a basis while preparing financial statements.• Trial balance ensures that for every debit entry recorded, a corresponding credit entry has been recorded in the books in accordance with the double entry concept of accounting. If the totals of the trial balance do not agree, the differences may be investigated and resolved before financial statements are prepared. Rectifying basic accounting errors can be a much lengthy task after the financial statements have been prepared because of the changes that would be required to correct the financial statements.• Trial balance ensures that the account balances are accurately extracted from accounting ledgers.• Trial balance assists in the identification and rectification of errors.</div>																																				
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 Visual aids	<table><tr><th colspan="3">XAO CORPORATION Trial Balance January 31, 20X3</th></tr><tr><th></th><th>Debits</th><th>Credits</th></tr><tr><td>Cash</td><td>\$26,300</td><td></td></tr><tr><td>Accounts receivable</td><td>3,200</td><td></td></tr><tr><td>Land</td><td>15,000</td><td></td></tr><tr><td>Accounts payable</td><td></td><td>\$ 500</td></tr><tr><td>Notes payable</td><td></td><td>10,000</td></tr><tr><td>Capital stock</td><td></td><td>25,000</td></tr><tr><td>Service revenues</td><td></td><td>12,000</td></tr><tr><td>Advertising expense</td><td>2,000</td><td></td></tr><tr><td>Utilities expense</td><td>1,000</td><td></td></tr><tr><td></td><td><u>\$47,500</u></td><td><u>\$47,500</u></td></tr></table>	XAO CORPORATION Trial Balance January 31, 20X3				Debits	Credits	Cash	\$26,300		Accounts receivable	3,200		Land	15,000		Accounts payable		\$ 500	Notes payable		10,000	Capital stock		25,000	Service revenues		12,000	Advertising expense	2,000		Utilities expense	1,000			<u>\$47,500</u>	<u>\$47,500</u>
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WEEK 3

 Teacher	Name : Felix Subject : Accounting
 Date	
	Strand # 2 & Strand # 3 : Accounting Proccessing and Reporting.

 <p>Learning outcomes</p>	<ul style="list-style-type: none"> Recording and posting closing entries.
 <p>Introduction</p>	<p>The accounting cycle is the holistic process of recording and processing all financial transactions of a company, from when the transaction occurs, to its representation on the <u>financial statements</u>, to closing the accounts. One of the main duties of a <u>bookkeeper</u> is to keep track of the full accounting cycle from start to finish. The cycle repeats itself every fiscal year as long as a company remains in business.</p>
	<p>Recording and Posting Closing Entries</p> <p>The closing entries are the journal entry form of the Statement of Retained Earnings. The goal is to make the posted balance of the retained earnings account match what we reported on the statement of retained earnings and start the next period with a zero balance for all temporary accounts.</p>
 <p>Learners notes</p>	<p>Steps to Closing Entries.</p> <p>Step 1: Close Revenue accounts</p> <p>Close means to make the balance zero. We see from the adjusted trial balance that our revenue accounts have a credit balance. To make them zero we want to decrease the balance or do the opposite. We will debit the revenue accounts and credit the Income Summary account. The credit to income summary should equal the total revenue from the income statement.</p> <p>Step 2: Close Expense accounts</p> <p>The expense accounts have debit balances so to get rid of their balances we will do the opposite or credit the accounts. Just like in step 1, we will use Income Summary as the offset account but this time we will debit income summary. The total debit to income summary should match total expenses from the income statement.</p> <p>Step 3: Close Income Summary account</p> <p>At this point, you have closed the revenue and expense accounts into income summary.</p> <p>Step 4 : Transfer net loss/profit to Capital Account.</p>
 <p>Visual aids</p>	

	 <p style="text-align: center;">The Accounting Cycle © 2019 www.double-entry-bookkeeping.com</p>
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