



Accounting

ACC621A

CURRICULUM



2017

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Introduction

Renewal of curriculum begins with the common understanding that K-12 students must engage in learning that enables them to participate in a world of rapid and complex change. This dynamically evolving environment requires that students develop multiple literacies, increase depth of knowledge, and acquire a range of skills, attitudes, and abilities that foster creativity, innovation, and problem-solving skills.

Students must also develop a desire for personal and collective achievement, and a willingness to collaborate for the well-being of themselves, others, and beyond. It is essential that educators and administrators have an in-depth understanding of curricular expectations as part of a broader learning continuum.

The purpose of this document is to provide administrators, educators, and post-secondary education institutions with a deeper level of understanding of renewed Prince Edward Island curricula, including specific curriculum outcomes and achievement indicators, and of planning for student achievement.

The Importance of Business Studies in the Curriculum

Business activity affects the daily lives of all Canadians as they work, spend, save, invest, travel, and play. It influences jobs, incomes, and opportunities for personal enterprise. Business has a significant effect on the standard of living and quality of life of Canadians, and on the environment in which they live and which future generations will inherit. All students, whether they live in urban or rural areas, will eventually encounter the world of business. They must be prepared to engage in business activity with confidence and competence. Young people need to understand how business functions, the role it plays in society, the opportunities it generates, the skills it requires, and the impact it can have on their lives and on society in general.

Business courses provide a strong foundation for those who wish to study and train in specialized areas such as management, international business, marketing, accounting, or entrepreneurship. The courses also provide practical skills for those who wish to move directly into the workplace.

Engaging in the world of business involves studying individuals, communities, and organizations; assessing their needs and problems; and generating solutions. Business studies draw upon facts, concepts, and processes from many other fields. For example, close links exist between marketing and communication, accounting and mathematics, entrepreneurial studies and technology, international business and world studies, and management and studies of society and human nature. Students will be able to apply what they learn in other subject areas to their study of business, as well as transfer the knowledge and skills they acquire in business studies to their work in other areas.

Business studies provide students with a new, practical context for many of the subjects they have studied from K-9 – including mathematics, science and technology, language arts, and social studies. Business studies helps students to recognize the relevance of these subjects as they are applied in the world of business – for example, studying individuals and diverse communities; helping people with their needs, challenges, and problems; and creating products and services that help to improve quality of life.

Business studies clearly demonstrate how a variety of areas of study can be combined into productive activity that affects millions of people. Courses in this discipline provide knowledge and skills that can help students make a successful transition to post-secondary education, training programs, and the workplace. Courses within business studies prepare students to apply their education to real-world challenges, experiences, and opportunities.

Business Studies and Real-World Connections

The business studies curriculum examines the multifaceted functions and operations of businesses, from small firms to multinational enterprises. These businesses drive the economy, influence the standard of living, the nature and number of jobs, and play a role in the career decisions of many secondary school students.

Students are motivated and learn best when they understand the relevance of what they are studying. Business studies courses provide rich opportunities for relevant, real-world learning experiences. These experiences reinforce theoretical learning and provide authentic contexts in which students can apply what they have learned.

The Goals of Business Studies

The fundamental purpose of business studies is to provide students with the knowledge, skills, and attitudes necessary to achieve success in secondary school, the workplace, post-secondary education or training, and daily life.

The goals of the business studies curriculum are to enable students to

- gain an understanding of business concepts through the study of subjects such as accounting, entrepreneurship, international business, marketing, and leadership;
- achieve business, economic, and financial literacy;
- develop the skills (including critical thinking) and strategies required to conduct research and inquiry, and communicate findings accurately, ethically, and effectively;
- apply the knowledge, skills, and attitudes acquired through the study of business to a variety of learning tasks and relate them to business phenomena on the local, national, and global levels;
- develop lifelong learning skills that will help them adapt to the changing workplace and the global economy;
- make connections that will help them take advantage of opportunities in postsecondary education, work, and business opportunities.

These goals can be achieved in a concrete and practical context through real-world learning activities that combine the acquisition and application of knowledge and skills.

Introduction

Background

Accounting is the language of business. It is difficult to imagine an organization or an individual not affected by accounting. From the local farmer's market to a global corporation, successful people and businesses use accounting to summarize and report information in financial statements for analysis and decision making. Ultimately, it is this understanding that helps people make wise business decisions. Students who learn not just the fundamentals of accounting but how to think and apply that knowledge will have the confidence to integrate accounting into a wide spectrum of careers.

Accounting Principles (ACC621A) provides young people with the practical business and financial knowledge and skills necessary to function effectively in our changing and complex technological and market-based society.

Course Description

Accounting Principles (ACC621A) is a full-credit course offered at the Grade 12 level. The course is designed for students who plan to take accounting courses at the college or university level, however, it is important to note that the knowledge and skills learned throughout this course can be applied across a broad range of disciplines and occupations, and support people in their daily lives. The major areas of study within ACC621A include accounting fundamentals, the accounting cycle for a service and merchandising business, and internal control, financial analysis and decision making. Students will also apply accounting practices in a computerized environment.

The Department of Education, Early Learning and Culture and Holland College recognize *Accounting Principles - ACC621A* as a dual credit. In the simplest of terms, dual credit refers to a course where high school students earn both high school and post-secondary credits concurrently for the same course. Therefore, all students who have successfully completed ACC621A, and have achieved a grade of 60% or greater, will be exempt from taking the equivalent course at Holland College (ACCT1001). ACCT1001 is found as either an elective or a core course in the following Holland College programs:

- Golf Club Management
- International Hospitality Management
- Marketing and Advertising Management
- Tourism and Travel Management
- Sport and Leisure Management.

Considerations for Effective Instruction

Instructional Strategies

Teaching is both a science and an art. There is a wealth of instructional strategies and methodologies described in the literature that teachers have at their disposal when creating a learning environment that best suits the needs of their students. The following page depicts six common instructional strategies.

- **Indirect Instruction** – mainly student-centred and complements direct instruction; often called inquiry, induction, problem solving, decision making, and discovery; examples include reflective discussion, concept formation, concept attainment, cloze procedure, problem solving, and guided inquiry
- **Independent Study** – range of instructional methods which are purposefully provided to foster the development of individual student initiative, self-reliance, and self-improvement; can include learning in partnership with another individual or as part of a small group; very flexible
- **Experiential Learning** – inductive, learner-centred, and activity-oriented; emphasis is on the process of learning and not on the product; greatly increases understanding and retention in comparison to methods that solely involve listening, reading, or even viewing
- **Direct Instruction** – highly teacher-directed and is among the most commonly used strategies; effective for providing information, developing step-by-step skills, introducing other teaching methods, or actively involving students in knowledge construction; includes lecture, didactic questioning, explicit teaching, practice and drill, and demonstrations
- **Interactive Instruction** – relies heavily on discussion and sharing among learners; allows for a range of groupings and interactive methods; includes total class discussions, small group discussions or projects, or student pairs or triads working on assignments together

In recent years, research-based pedagogy has worked towards identifying the most effective or “high-yield” strategies that have a positive effect on student achievement. Marzano et. al. identified nine high-yield strategies in 2009 and more recently described thirteen “essential instructional strategies to achieve rigor” in preparing students for future pathways. While these strategies are sound, effective instruction remains eclectic; teachers need to reflect professionally about “their students, their subject matter, and their situations” to identify the most appropriate instructional strategies” when designing a teaching plan. The four focusing questions listed below can help with this process.

Marzano’s High-Yield Strategies

- Identifying similarities and differences
- Summarizing and note-taking
- Reinforcing effort and providing recognition
- Homework and practice
- Nonlinguistic representation
- Cooperative learning
- Setting objectives and providing feedback
- Generating and testing hypotheses
- Question, cues and advance organizers

Focusing Questions for Planning Instruction

- What am I teaching?
- Why am I teaching it?
- How will I know when the students have learned it?
- What are the strategies I will use to teach it?

Adapted from: Sharratt and Fullan

Considerations for Effective Instruction



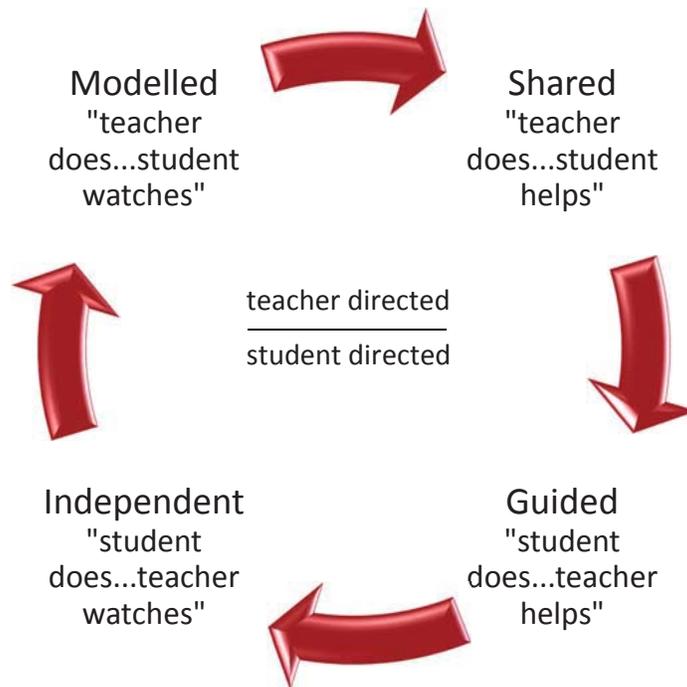
Adapted from *Instructional Approaches, A Framework for Professional Practice*

Considerations for Effective Instruction

Gradual Release of Responsibility

Teachers must determine when students can work independently and when they require assistance. In the *gradual release of responsibility* approach, students move from a high level of teacher support to independent practice. The teacher models a concept or strategy and makes explicit the thinking he/she engages in when choosing, and applying the strategy in a specific context. The teacher gradually releases the responsibility through a phase of shared and guided practice which leads the student to independence. If necessary, the teacher increases the level of support when students need further assistance. Gradual release is a useful strategy to employ. The graphic below provides a visual representation of this process.

Teachers may wish to begin the process at any point in the cycle. For example, teachers may provide a diagnostic assessment (independent stage) to establish what students know prior to teaching in order to determine which practices need to be modelled and which ones the students are able to perform independently.



Considerations for Effective Instruction

Curricular Planning Using Understanding by Design

Understanding by Design (UbD) is often referred to as “backward design”. UbD is a curricular planning model developed by American educators Grant Wiggins and Jay McTighe. The main premise is that learning, and hence understanding, must be demonstrated through *transference* — the ability to apply what has been learned to a new situation or problem. In order to assess the level of learning, it is necessary to plan instruction as a “backward” experience of three stages beginning with the *end-in-mind* or the desired results, to the second stage of *evidence-of-learning* or assessment, and finally to the *learning plan* or the activities that will engage students and scaffold them toward the end result or *performance task*.

Basics of UbD

- helps to transform SCOs into meaningful learning elements and assessments
- encourages teachers to become coaches and facilitators of meaningful learning rather than purveyors of superficial content
- reveals learning when students make sense of and are able to transfer learning to new and authentic situations
- requires ongoing review of instructional design to ensure effective practice and continuous improvement for achievement
- promotes a way of thinking about curricular planning in a broader sense; not a rigid program or prescriptive plan
- ensures deeper student understanding by making meaning from “big ideas”
- overcomes tendency to commit the “twin sins” — “*textbook coverage*” and “*activity-oriented teaching*” (activity without a clear purpose).

Stage 1 Desired Results	Stage 2 Evidence	Stage 3 Learning Plan
The knowledge, skills, and attitudes that are articulated in specific curriculum outcomes (SCOs) are identified	<p>Performance tasks and criteria are determined. <i>Performance tasks</i> should be authentic tasks that are designed to simulate or replicate real-world performances and establish a realistic context with a genuine purpose, audience, and constraints.</p> <p><i>Performance criteria</i> met will provide the “evidence” of learning that is needed to assess performance or product. Criteria can be weighted and include:</p> <ul style="list-style-type: none">• Content: aptness, adequacy, or accuracy of knowledge and skills used.• Process: the means, processes, attitude, or approaches taken in the performance or in the preparation for performance.• Quality: attention to detail, polish, and craftsmanship.• Impact: Did the performance work? What was its effect, its result, its outcome, irrespective of effort, attitude, and approach?	In the final stage the sequence of learning activities that will scaffold students toward the performance task and understanding are planned.

The Evaluative Process

Assessment and evaluation are integral components of the teaching and learning process.

Effectively planned evaluation promotes learning, builds confidence, and develops students' understanding of themselves as learners. Effectively planned assessment and evaluation also improves and guides future instruction and learning.

Effective and authentic assessment involves

- designing performance tasks that align with specific curriculum outcomes;
- including students in determining how their learning will be demonstrated;
- planning for the three phases of assessment (for, as, and of learning).

Assessments need to be reflective of the cognitive processes and level(s) of knowledge indicated by the outcome. An authentic assessment will collect data at the level for which it is designed.

Whether conducting assessment for learning or assessment of learning, a teacher must have sufficient proof of a students' learning. By using a process known as triangulation, teachers can obtain data of student learning from three different sources (e.g., observations, conversations and products) thereby ensuring sufficient data is collected in order to evaluate student learning. Observations and conversations are more informal forms of evidence which may be, for example, recorded as anecdotal notes. Products include tests, projects or other tasks that enable students to demonstrate what they know and can do at the end of the learning process. By collecting data from multiple sources, teachers are able to verify the data they collect against each other thus allowing them to gain an accurate portrayal of student progress.

Effective evaluation involves considering the totality of the assessment data and interpreting it to make informed judgments about student learning.

Assessment

Assessment is the act of gathering information on an ongoing basis in order to understand students' individual learning and needs. It is the journey of their learning.

Effective assessment improves the quality of learning and teaching. It helps students to become self-reflective and to feel in control of their own learning, and enables teachers to reflect on and adjust their instructional practices. When students are given opportunities to demonstrate what they know and what they can do with that knowledge, optimal performance can be realized.

Assessment has three interrelated purposes:

- Assessment **for** learning to guide and inform instruction.
- Assessment **as** learning to involve students in self-assessment and setting goals for their own learning.
- Assessment **of** learning to determine student progress relative to curriculum outcomes.

Through the entire evaluative process, the teacher reflects on the appropriateness of the assessment techniques used to evaluate student achievement of the SCOs. Such reflection assists the teacher in making decisions concerning adjustments to subsequent instruction, assessment, and evaluation.

The Evaluative Process

Even though each of the three purposes of assessment requires a different role and planning for teachers, the information gathered through any one purpose is beneficial and contributes to an overall picture of an individual student's achievement.

All assessment practices should respect the needs of diverse learners and should respect and appreciate learners' cultural diversity. Teachers should provide students with a variety of ways to demonstrate on an ongoing basis what they know and are able to do with many different types of assessment over time. **Valuable information about students can be gained through intentional conversations, observations, processes, performance, and products.** A balance among these sources ensures reliable and valid assessment of student learning.

Effective assessment strategies

- are appropriate for the purposes of instruction, the needs and experiences of the students, and learning strategies used;
- assist teachers in selecting appropriate instruction and intervention strategies to promote the gradual release of responsibility;
- reflect where the students are in terms of learning and help to determine the levels and types of support or instruction that will follow;
- allow for relevant, descriptive, and supportive feedback that gives students clear directions for improvement, and engages students in metacognitive self-assessment and goal setting that can increase their success as learners;
- are explicit and communicated to students and parents so students know expectations and criteria to be used to determine the level of achievement;
- must be valid in that they measure what they intend to measure and reliable in that they consistently achieve the same results when used again, or similar results with a similar group of students;
- involve students in the co-construction, interpretation, and reporting of assessments by incorporating their interests, multiple intelligences, and their learning styles;
- accommodate for the diverse learning needs of students;
- are comprehensive and enable all students to have diverse and multiple opportunities to demonstrate their learning consistently, independently, and in a range of contexts in everyday instruction.

Students should know what they are expected to learn as designated by SCOs and the criteria that will be used to determine the quality of their achievement.

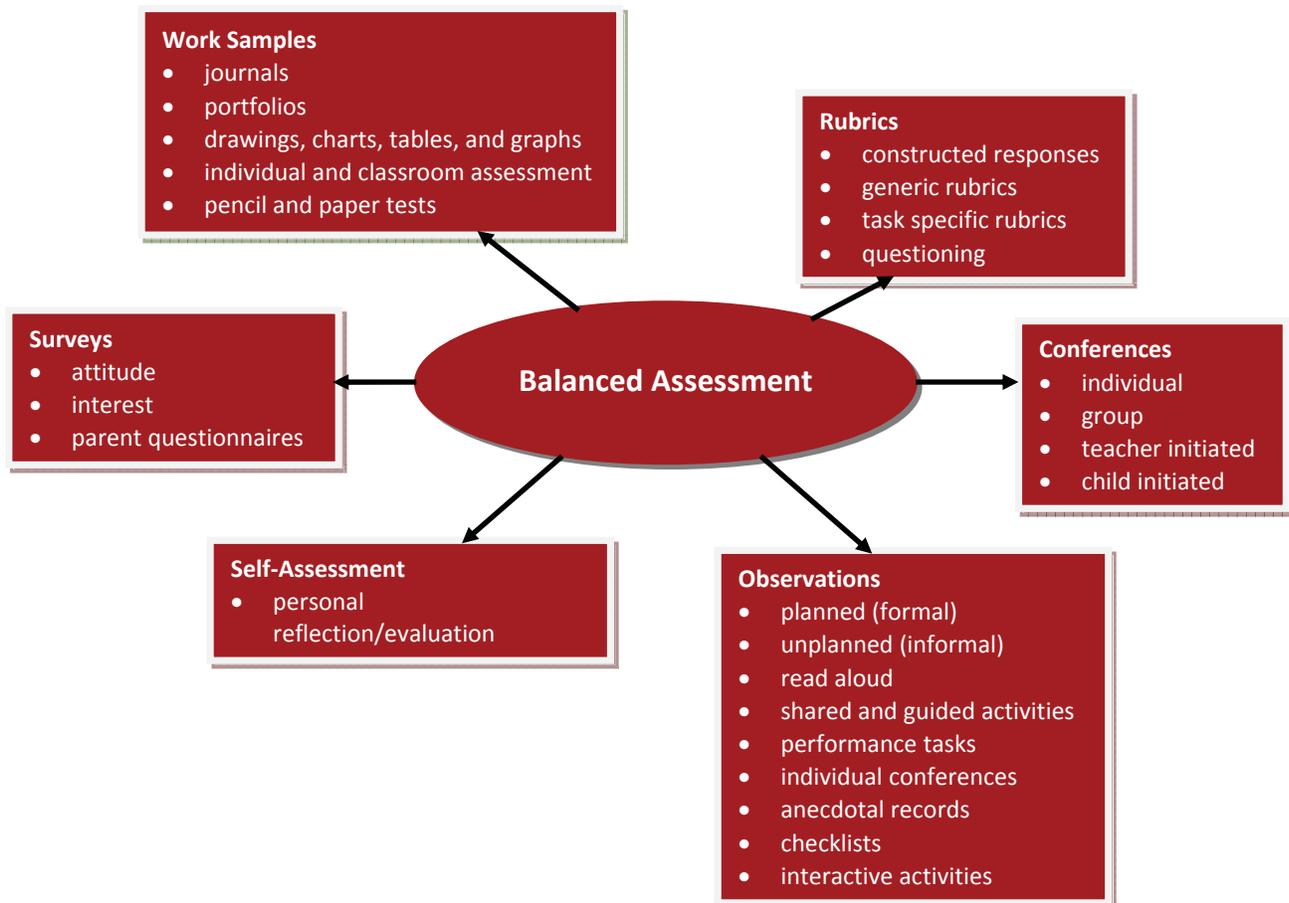
This information allows students to make informed choices about the most effective ways to demonstrate what they know and are able to do. **It is important that students participate actively in assessment by co-creating criteria and standards which can be used to make judgments about their own learning.** Assessment must provide opportunities for students to reflect on their progress, evaluate their learning, and set goals for future learning. Students may benefit from examining various scoring criteria, rubrics, and student exemplars.

Students are more likely to perceive learning as its own reward when they have opportunities to assess their own progress. Rather than asking teachers, "What do you want?" students should be asking themselves questions such as, "What have I learned? What can I do now that I couldn't do before? What do I need to learn next?"

The Evaluative Process

Student involvement in the assessment process can be achieved by:

- incorporating students' interests into assessment tasks (e.g., allowing students to select texts to read/view that relate to their interests);
- providing opportunities for students to self-assess their learning;
- co-creating assessment criteria with the student, working to describe how a specific skill or product is judged to be successful;
- using student exemplars to illustrate a range of skill development (i.e., practise using the assessment criteria to guide their own work).



The Evaluative Process

Evaluation

Evaluation is the culminating act of interpreting the balanced information gathered through relevant and authentic assessments for the purpose of making judgments.

Inherent in the idea of evaluating is “value.” **Evaluation is based on the cumulative assessments of the SCOs. The SCOs should be clearly understood by learners before instruction, assessment, and evaluation takes place.** Evaluation is informed by a quality, authentic formative and summative assessment process.

During evaluation, the teacher

- interprets all assessment information and makes judgments about student progress;
- reports on student progress;
- makes informed decisions about student learning programs based on the judgments or evaluations.

Through the entire evaluative process, the teacher reflects on the appropriateness of the assessment techniques used to evaluate student achievement of the SCOs. Such reflection assists the teacher in making decisions concerning adjustments to subsequent instruction, assessment, and evaluation.

Curriculum Design

The PEI Department of Education, Early Learning and Culture designs curriculum that is based on *The Atlantic Canada Framework for Essential Graduation Competencies in Schools*.

Curriculum guides must clearly articulate what students are expected to know and be able to do by the time they graduate from high school. Curriculum delivery must reflect these expectations and there must be an accurate assessment of students' performance in relation to the curriculum outcomes.

Specific curriculum outcomes are developed based on current research to ensure coherence and rigour within each area of study.

Essential Graduation Competencies (EGCs)



General Curriculum Outcomes (GCOs)



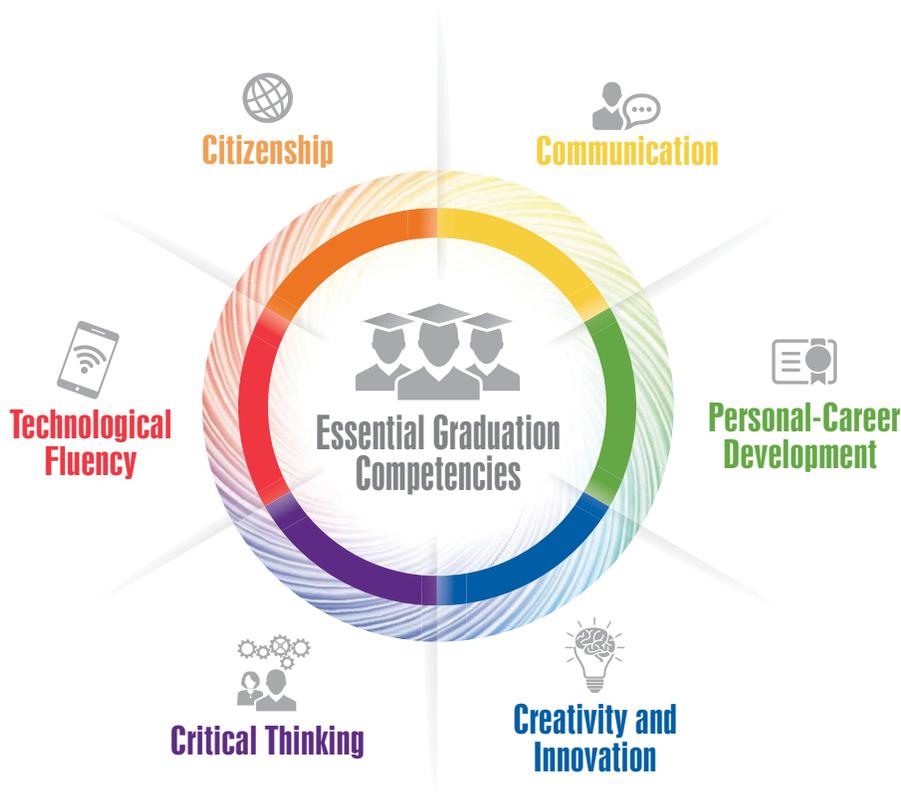
Specific Curriculum Outcomes (SCOs)



Achievement Indicators (AIs)

Essential Graduation Competencies (EGCs)

The PEI Department of Education, Early Learning and Culture designs curricula that is based on *The Atlantic Canada Framework for Essential Graduation Competencies in Schools*. Essential Graduation Competencies articulate the interrelated sets of attitudes, skills, and knowledge learners need to successfully participate in lifelong learning and life/work transitions. They are cross-curricular, and all curriculum is focused on enabling students to achieve these competencies.





Personal-Career Development

Learners are expected to become self-aware and self-directed individuals who set and pursue goals. They understand and appreciate how culture contributes to work and personal life roles. They make thoughtful decisions regarding health and wellness, and career pathways.

Learners are expected to

- connect learning to personal and career development
- demonstrate behaviours that contribute to the well-being of self and others
- build healthy personal and work relationships
- establish skills and habits to pursue physical, spiritual, mental, and emotional well-being
- develop strategies to manage career balance and wellness
- create and implement a personal, education, career, and financial plan to support transitions and achievement of personal, education, and career goals
- demonstrate preparedness to learn and work individually, cooperatively, and collaboratively in diverse, evolving environments



Critical Thinking

Learners are expected to analyse and evaluate evidence, arguments, and ideas using various types of reasoning and systems thinking to inquire, make decisions, and solve problems. They reflect critically on thinking processes.

Learners are expected to

- use critical thinking skills to inquire, make decisions, and solve problems
- recognize that critical thinking is purposeful
- demonstrate curiosity, inquisitiveness, creativity, flexibility, persistence, open- and fair-mindedness, tolerance for ambiguity, and suspension of judgment
- ask powerful questions which support inquiry, decision-making, and problem solving
- acquire, interpret, and synthesize relevant and reliable information from a variety of sources
- analyse and evaluate evidence, arguments, and ideas
- use various types of evidence, reasoning, and strategies to draw conclusions, make decisions, and solve problems
- reflect critically on thinking processes used and acknowledge assumptions
- effectively communicate ideas, conclusions, decisions, and solutions
- value the ideas and contributions of others who hold diverse points of view



Citizenship

Learners are expected to contribute to the quality and sustainability of their environment, communities, and society. They analyse cultural, economic, environmental, and social issues; make decisions and judgments; solve problems and act as stewards in a local, national, and global context.

Learners are expected to

- recognize the principles and actions of citizens in just, pluralistic, and democratic societies
- demonstrate the disposition and skills necessary for effective citizenship
- consider possible consequences of decisions, judgment, and solutions to problems
- participate in civic activities that support and promote social and cultural diversity and cohesion
- promote and protect human rights and equity
- appreciate the complexity and interconnectedness of factors in analysing issues
- demonstrate understanding of sustainable development



Communication

Learners are expected to express themselves and interpret effectively through a variety of media. They participate in critical dialogue, listen, read, view, and create for information, enrichment, and enjoyment.

Learners are expected to

- listen and interact purposefully and respectfully in formal and informal contexts
- engage in constructive and critical dialogue
- understand, interpret, and respond to thoughts, ideas, and emotions presented through multiple media forms
- express ideas, information, learnings, perceptions, and feelings through multiple media forms, considering purpose and audience
- assess the effectiveness of communication and critically reflect on intended purpose, audience, and choice of media
- analyse the impact of information and communication technology

Curriculum Design



Technological Fluency

Learners are expected to use and apply technology to collaborate, communicate, create, innovate, learn, and solve problems. They use technology in a legal, safe, and ethically responsible manner.

Learners are expected to

- recognize that technology encompasses a range of learning tools and contexts
- use and interact with technology to create new knowledge
- apply digital technology to gather, filter, organize, evaluate, use, adapt, create, and share information
- select and use technology to impact and advance one another
- adopt, adapt, and apply technology efficiently, effectively, and productively



Creativity and Innovation

Learners are expected to demonstrate openness to new experiences; to engage in creative processes; Learners are expected to make unexpected connections; and to generate new and dynamic ideas, techniques, and products. They value aesthetic expression and appreciate the creative and innovative work of others.

Learners are expected to

- gather information through all senses to imagine, create, and innovate
- develop and apply creative abilities to communicate ideas, perceptions, and feelings
- take responsible risk, accept critical feedback, reflect, and learn from trial and error
- think divergently, and embrace complexity and ambiguity
- recognize that creative processes are vital to innovation
- use creation techniques to generate innovations
- collaborate to create and innovate
- critically reflect on creative and innovative works and processes
- value the contribution of creativity and innovation

General Curriculum Outcomes (GCOs)

The business studies curriculum in Grades 10 to 12 offers a range of courses, all built on the belief that effective learning depends on the development of knowledge and skills in four critical areas: business skills; business communications; financial literacy; ethical, moral, and legal considerations.

The business studies program comprises a set of interrelated courses that deepen students' understanding and skills in these critical areas as students progress through the grades. As a result, students will be able to apply the relevant concepts and skills to a broad range of business-related issues and problems with increasing sophistication. By recognizing links among these four areas of study, students strengthen their understanding of theory and successful business practice.

Although the specific content of courses changes from subject to subject and grade to grade, the focus on the four critical areas remains consistent throughout the business studies curriculum from Grade 10 to Grade 12. This consistency leads continuity to student learning.

Curriculum Design

Each of the four general curriculum outcomes is associated with related areas of knowledge and skills, as outlined in the following table:

General Curriculum Outcomes	Related Areas of Knowledge and Skill
<p>Business skills: Students will be expected to develop the knowledge and skills necessary for success in business.</p>	<ul style="list-style-type: none"> • problem-solving • critical and creative thinking • leadership • organizational productivity • risk management • teamwork • strategic planning • entrepreneurial thinking and doing • business etiquette • research and inquiry • reflective skills • transfer skills • technology skills
<p>Communication in a business environment: Students will be expected to demonstrate an understanding of the methods and standards involved in communication within and between businesses (including the use of appropriate terminology and established formats).</p>	<ul style="list-style-type: none"> • literacy skills (listening, speaking, reading, writing, viewing, and representing) • document formatting • global awareness • etiquette and protocols • business terminology • presentation delivery • conflict resolution
<p>Financial literacy: Students will be expected to demonstrate the ability to read, analyse, manage, and communicate financial information for personal and professional purposes.</p>	<ul style="list-style-type: none"> • money management • financial decision-making and planning • economic and accounting knowledge and skills • analysis of financial documents • numeracy skills • credit • investing • saving and banking • taxation • consumerism
<p>Ethical, moral, and legal considerations: Students will be expected to demonstrate an understanding and/or determination of social and environmental consequences of business practices at local, national, and global levels.</p>	<ul style="list-style-type: none"> • principles and guidelines for ethical business practice • professional standards • responsibility for environmental consequences and sustainability • privacy issues • social responsibility • equity and diversity • accountability • intellectual property

Curriculum Design

Specific Curriculum Outcomes (SCOs)

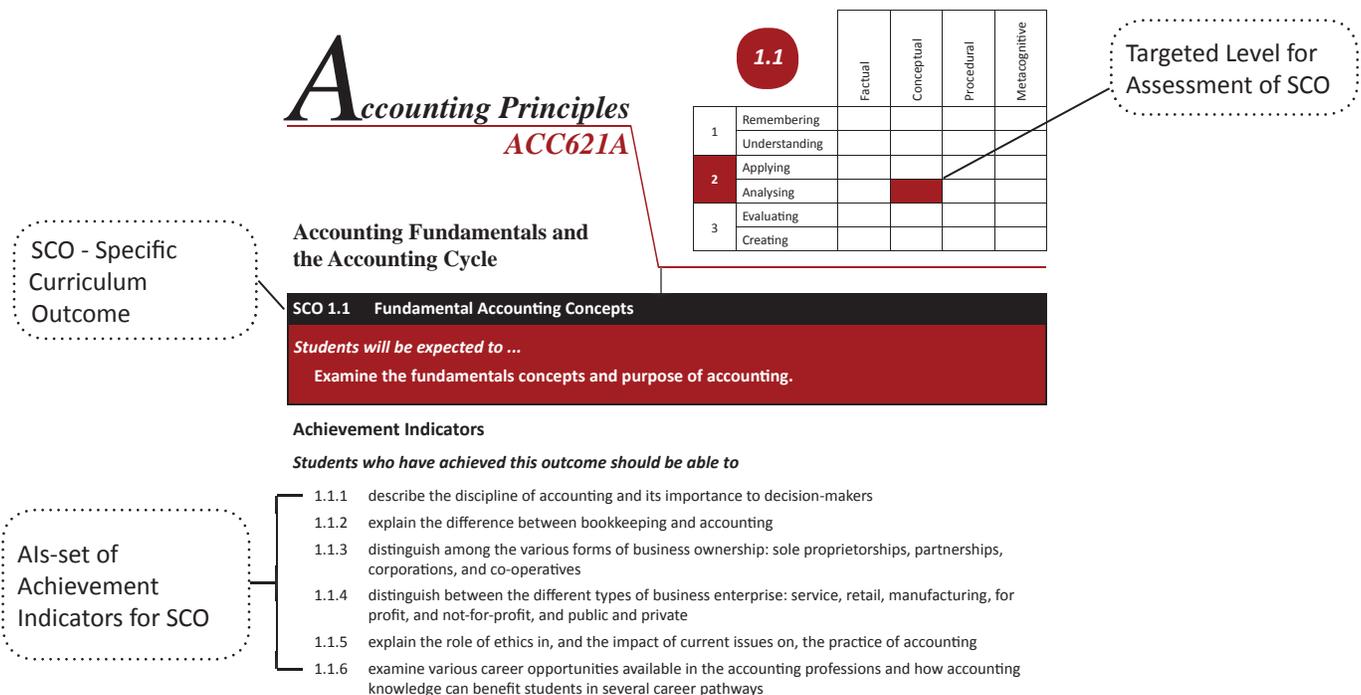
Specific Curriculum Outcomes state the intended outcomes of instruction, and identify what students are expected to know and be able to do for a particular unit or course. All SCOs are compulsory. SCOs provide the goals or targets of instruction in terms of measurable or observable student performance. SCOs provide a focus for instruction and provide a basis for the assessment of student achievement.

Achievement Indicators (AIs)

Achievement indicators, taken together as a set, help to support and define the depth and breadth of the corresponding SCO.

The set of achievement indicators provided for an SCO

- provides the intent (depth and breadth) of the outcome;
- tells the story, or creates a picture, of the outcome;
- defines the level and types of knowledge intended by the outcome;
- is not a mandatory checklist, prioritized list of instructional activities, or prescribed assessment items;
- may include performance indicators.



Curriculum Delivery

This document follows a “backward design” approach – that is, its SCO(s) begin with the end in mind. This means that the SCO (learning goal) and the performance indicators or tasks (evidence of achieving the SCO) are the foci before consideration is directed to activities. In this way, educators can stay focused on the learning goal, and can plan instruction and tools to reach and assess that goal. To assist in the instructional design of an SCO, teachers will also find Achievement Indicators and Elaborations.

Specific Curriculum Outcomes (SCOs)

A unit may contain only one SCO or several SCOs. Each one is treated individually although there are often opportunities to integrate parts or all of more than one SCO. Specific curriculum outcomes state the intended outcomes of instruction and identify what students are expected to know and be able to do for a particular unit or course. SCOs articulate the goals or targets of instruction in terms of measurable or observable student performance and provide a basis for assessment and evaluation of learning.

SCOs are observable, assessable, and supported by achievement indicators that help to define the depth and breadth of the outcome. The SCO provides the basis for designing learning and teaching strategies. SCOs provide a continuum of learning from kindergarten through Grade 12. **In short, SCOs describe the intended outcomes of instruction in performance terms without restricting the means of achieving them.**

There is flexibility in determining the delivery of instruction and assessment *for, as, and of* learning. Instruction, assessment, evaluation, and reporting with respect to these SCOs are dependent on the professional judgment and experience of teachers.

Specific curriculum outcomes will begin with the phrase, “Students will be expected to...”

Achievement Indicators (AIs)

Each SCO contains a set of achievement indicators that help to support and define the depth and breadth of an outcome. Taken together as a set, AIs define specific levels of knowledge acquired, skills applied, or attitudes demonstrated by a student for that particular outcome. AIs help to clarify the intent and scope of the outcome. It is important to note that AIs are not a prescriptive checklist to be taught in a sequential manner. The intent of AIs is for clarity and understanding so that instructional design is aligned with the SCO. When teachers are planning for instruction, they must be aware of the set of indicators in order to fully understand the depth and breadth of the outcome. Teachers may substitute or add to the set of AIs as long as these maintain the integrity of the SCO. By constantly analysing and monitoring the needs of the students, teachers can determine which indicators are appropriate and relevant to prior knowledge, developmental stages, or the continuum of the scholastic year.

Lists of achievement indicators will begin with the phrase, “Students who have achieved this outcome should be able to ...”

Curriculum Delivery

Elaboration

An elaboration provides a fuller description of the SCO and the instructional intent behind it. It sets the parameters of the SCO, gives background information where possible, and offers a broader context to help teachers gain a deeper understanding of the scope of the SCO. This may also include suggestions and/or supporting resources that may be helpful in teaching the related outcome. Teachers should vet material for any inappropriate side bars, questionable information, or redirected links.

Working with Specific Curriculum Outcomes

Curriculum Guide Organization

Specific curriculum outcomes are organized in units. Suggestions for learning, teaching, assessment, and resources are provided to support student achievement of the outcomes.

	Suggested Time-Frame	Suggested Weight for Grading	Number of Outcomes
Unit 1: Accounting Fundamentals and the Accounting Cycle Fundamental Accounting Concepts SCO 1.1. examine the fundamental concepts and purpose of accounting The Accounting Equation SCO 1.2 analyse factors and processes significant to the accounting equation Financial Statements SCO 1.3 analyse the factors and processes necessary to create financial statements Beginning the Accounting Cycle SCO 1.4 analyse the factors and processes necessary for preparing the general journal, general ledger, and trial balance for a service business Completing the Accounting Cycle SCO 1.5 analyse the factors and processes necessary to complete the accounting cycle for a service business	50-55 days	50%	5
Unit 2: Accounting for a Merchandising Business and within a Computer Application Accounting for a Merchandising Business SCO 2.1 analyse the procedures and principles of the accounting cycle for a merchandising business Computer Applications in Accounting SCO 2.2 apply accounting practices in a computerized environment	12-15 days	12%	2
Unit 3: Internal Control, Financial Analysis, and Decision-Making Internal Control SCO 3.1 apply concepts of internal cash control and banking procedures to a business Financial Analysis and Decision-Making SCO 3.2 evaluate accounting data for decision-making purposes	12-15 days	13%	2
Final Exam		25%	
TOTALS	80	100%	9

Curriculum Delivery

In order to fully understand an SCO, it is important to understand how the learning is representative of both the cognitive and knowledge process dimensions.

Cognitive Process Dimension

The cognitive process dimension represents a continuum of increasing cognitive complexity, from lower order thinking skills to higher order thinking skills. The verb that begins a specific curriculum outcome represents the cognitive process dimension. The verbs listed under each cognitive process dimension represents the specific verbs used for SCOs or AIs within this course. There is also a subject specific definition of each cognitive process dimension that relates directly to business studies.

Explanation of Cognitive Level	
Remembering	Retrieve relevant knowledge from long-term memory; recall
define	Students can define terminology and locate information related to business studies.
Understanding	Construct meaning from instructional messages including oral, written, and graphic communication.
compare, describe, explain, understand, identify	Students can describe and/or explain the concepts, functions, and processes of business.
Applying	Carry out or use a procedure in a given situation.
classify, use	Students can execute a given task or problem. Students are given the opportunity to deepen their understanding of concepts and processes by practising their skills. Students can also access information related to the task or problem and communicate the procedure they are engaged in.
Analysing	Break material into constituent parts and determine how parts relate to one another and to an overall structure or purpose. Make inferences and find evidence to support generalizations.
analyse, examine, distinguish	This is an extension of understanding where students learn to determine the relevant or important pieces of a message, the ways in which the pieces of a message are organized, and the underlying purpose of the message.
Evaluating	Make judgments based on criteria and standards.
evaluate	Students can make decisions and judgements related to business information. Students should be able to interpret business information and make recommendations supported by evidence, criteria and standards.
Creating	Put elements together to form a coherent or functional whole; generate new ideas, products, or ways of viewing; reorganize elements into a new pattern or structure.
	Students can recognize opportunities to pursue new or enhance existing ideas, concepts, and products. Students can develop solutions to complex problems. The creative process involves problem representation, solution planning, and solution execution.

Curriculum Delivery

Knowledge Process Dimension

The knowledge process dimension classifies four types of knowledge learners may be expected to acquire or construct, ranging from concrete to abstract. The noun included in a specific curriculum outcome represents the cognitive process dimension.

KNOWLEDGE DIMENSION	DESCRIPTIONS and EXAMPLES
<p>Factual</p> <p><i>The basic elements students must know to be acquainted with a discipline of solve problems</i></p> <p>KNOWING THAT</p>	<ul style="list-style-type: none"> • knowledge of terminology (e.g., business vocabulary) • knowledge of specific details and elements (e.g., elements of a balance sheet)
<p>Conceptual</p> <p><i>The interrelationship among the basic elements within a larger structure that enables them to function together</i></p> <p>KNOWING WHAT and WHY</p>	<ul style="list-style-type: none"> • knowledge of classifications and categories (e.g., types of business ownership) • knowledge of principles and generalizations (e.g., accounting principles) • knowledge of theories, models, and structures (e.g., demand and supply)
<p>Procedural</p> <p><i>How to do something, methods of inquiry, and criteria for using skills, algorithms, techniques, and methods</i></p> <p>KNOWING HOW</p>	<ul style="list-style-type: none"> • knowledge of subject-specific skills and algorithms (e.g., skills used when calculating financial ratios) • knowledge of subject-specific techniques and methods (e.g., journalizing in the two-column general journal) • knowledge of criteria for determining when to use appropriate procedures (e.g., criteria used to judge the feasibility of using a particular method to estimate business costs)
<p>Metacognitive</p> <p><i>Knowledge of cognition is general as well as awareness and knowledge of one's own cognition</i></p> <p>KNOWING HOW TO KNOW</p>	<ul style="list-style-type: none"> • strategic knowledge (e.g., knowledge of outlining and planning the collection of primary market research) • knowledge about cognitive tasks, including appropriate contextual and conditional knowledge (e.g., knowledge of the skills required to become an entrepreneur) • self-knowledge (e.g., awareness of one's own knowledge level)

Curriculum Delivery

Taxonomy Table

Combining the cognitive process dimension and the knowledge dimension into one table, a *Taxonomy Table*, helps teachers to visualize the overall expectations of a course. As teachers reflect deeply and collaborate with each other to identify the types of knowledge required by each outcome, they will be better able to plan what student achievement will look, sound, and feel like in the learning environment. This clear visualization of the desired results (i.e., evidence of achievement of outcomes) assists teachers in planning learning experiences that will lead to student achievement of the outcome at the targeted level.

In the table below, Bloom's six cognitive levels are grouped into Level 1, Level 2, and Level 3. Since in practice, the increasing complexity of cognition is a continuum rather than a series of clearly delineated skills, this grouping into three more generalized levels, can be used to facilitate the development of assessments. It is recognized that these three levels may also overlap.

	COURSE	FACTUAL	CONCEPTUAL	PROCEDURAL	METACOGNITIVE
LEVEL 1	REMEMBERING				
	UNDERSTANDING				
LEVEL 2	APPLYING			2.2 3.1	
	ANALYSING		1.1	1.2 1.3 1.4 1.5 2.1	
LEVEL 3	EVALUATING		3.2		
	CREATING				

Unit 1: Accounting Fundamentals and the Accounting Cycle

SCO	Students will be expected to ...
1.1 Fundamental Accounting Concepts	<ul style="list-style-type: none"> examine the fundamental concepts and purpose of accounting
1.2 The Accounting Equation	<ul style="list-style-type: none"> analyse factors and processes significant to the accounting equation
1.3 Financial Statements	<ul style="list-style-type: none"> analyse the factors and processes necessary to create financial statements for a service business
1.4 Beginning the Accounting Cycle	<ul style="list-style-type: none"> analyse the factors and processes necessary for preparing the general journal, general ledger, and trial balance for a service business
1.5 Completing the Accounting Cycle	<ul style="list-style-type: none"> analyse the factors and processes necessary to complete the accounting cycle for a service business

Unit 1 introduces students to some of the fundamental concepts of accounting. This unit contains the bulk of the learning that students will move through within the course and represents fifty percent of the course weighting. The unit is broken up into five outcomes. The first outcome should be used as an entry point to discuss accounting principles and concepts. Within this outcome, students should also have the opportunity to examine how knowledge and skills in accounting can be applied to various careers and occupations. The second outcome will provide students with information and skills related to the accounting equation. The accounting equation describes the relationship between assets, liabilities, and equity, and essentially forms the foundation of accounting theory. The third outcome relates to financial statements. The preparation of financial statements is one of the main reasons for the accounting cycle. The final two outcomes moves students through the accounting cycle: transactions occur, transactions are recorded in a journal, journal entries are posted to ledger accounts, trial balance and interim financial statements are prepared, worksheet is prepared, formal financial statements are prepared, ledger accounts are adjusted and closed, and post-closing trial balance is prepared.

		Knowledge Dimension			
		Factual	Conceptual	Procedural	Metacognitive
1	Remembering				
	Understanding				
2	Applying				
	Analysing		1.1	1.2, 1.3, 1.4, 1.5	
3	Evaluating				
	Creating				

Accounting Principles

ACC621A

1.1

		Factual	Conceptual	Procedural	Metacognitive
1	Remembering				
	Understanding				
2	Applying				
	Analysing				
3	Evaluating				
	Creating				

Accounting Fundamentals and the Accounting Cycle

SCO 1.1 Fundamental Accounting Concepts

Students will be expected to ...

examine the fundamentals concepts and purpose of accounting.

Achievement Indicators

Students who have achieved this outcome should be able to

- 1.1.1 describe the discipline of accounting and its importance to decision-makers
- 1.1.2 explain the difference between bookkeeping and accounting
- 1.1.3 distinguish among the various forms of business ownership: sole proprietorships, partnerships, corporations, and co-operatives
- 1.1.4 distinguish between the different types of business enterprise: service, retail, manufacturing, for profit, and not-for-profit, and public and private
- 1.1.5 explain the role of ethics in, and the impact of current issues on, the practice of accounting
- 1.1.6 examine various career opportunities available in the accounting professions and how accounting knowledge can benefit students in several career pathways

Elaboration

1.1.1 ... describe the discipline of accounting and its importance to decision-makers

As students begin ACC621A, it is important they understand exactly what accounting is and why it is important. The term accounting generally refers to a system of dealing with financial data that provides information to decision-makers. Individuals, businesses, government agencies, investors, creditors, and other groups requiring accounting information to make important decisions and answer important questions:

- Is the business profitable?
- Should we take on more debt?
- Do we have enough money to meet our needs?
- Should we expand our business?

1.1.2 ... explain the difference between bookkeeping and accounting

Many people often confuse accounting with bookkeeping. It is important that students can explain the difference between these two occupations. If the accounting process is composed of recording, classifying, summarizing, reporting, analysing, and interpreting, then bookkeepers or accounting clerks/technicians would generally complete the groundwork of this process by recording transactions. Accountants must understand the whole process, from recording transactions to interpreting financial information. Because bookkeeping is the starting point of the accounting process, and forms the foundation for accounting, it must be done properly so the other stages can be completed correctly. Students will therefore spend a great deal of time recording transactions. As the course progresses, students will move into other areas of the accounting process and apply their foundational skills and knowledge to make decisions and judgments. Some students may feel that bookkeeping can be a repetitive or mechanical process; however, it is important they understand this is the foundation needed to complete the higher-level thinking exercises later in the course.

1.1.3 ... distinguish among the various forms of business ownership: sole proprietorships, partnerships, corporations, and co-operatives

Within this outcome, students will learn about the different types of business ownership found throughout Canada and other world economies (e.g., sole proprietorships, partnerships, corporations, and co-operatives). They will distinguish among structure, governance, strengths and weaknesses, and other characteristics to draw conclusions about which type of business is best suited to each form of organization. Students should recognize there are different types of corporations: private, public, and Crown corporations.

1.1.4 ... distinguish between the different types of business enterprise: service, retail, manufacturing, for profit, and not-for-profit, and public and private

Most businesses involve the manufacture and/or sale of goods or services. Businesses can be placed within one of the following enterprises: service business, merchandising business, and manufacturing/production business. These types of businesses can operate for profit and not-for-profit. Students should be able to distinguish between each type of enterprise and state the role each plays within the economy. During this course, students will spend most of their time moving through the accounting cycle for a sole proprietorship of a service business.

Elaboration

1.1.5 ... explain the role of ethics in, and the impact of current issues on, the practice of accounting

Ethics can be defined as beliefs that differentiate right from wrong. Ethical considerations are crucial in the area of accounting. Various internal and external groups require relevant and reliable information. Businesses generally want to represent themselves accurately and honestly. A lack of solid ethical practices makes it difficult to build trust and long-lasting relationships among various stakeholders — including creditors, investors, suppliers, customers, and employees. One does not need to search too hard to find accounting scandals that have made headlines. Typically, these scandals result in a number of negative outcomes that impact a variety of people. Students should be able to identify current issues and developments that have had an impact on accounting and the accounting profession. Decision-makers must be confident they can rely on the information generated by accountants. Accountants also have access to confidential information. If this information is provided to others, it may harm the business. Finally, it is important students understand why accountants cannot use confidential information for their own personal gain.

To create confidence among the users of accounting information and establish consistency within the profession, certain guidelines are necessary. The Accounting Standards Board (AcSB) oversees Canadian accounting practices. Students should understand why the AcSB created the International Financial Reporting Standards (IFRS), as well as the Accounting Standards for Private Enterprises (ASPE). IFRS and ASPE replaced the Canadian Generally Accepted Accounting Principles. Adopting international standards makes it easier for businesses to operate and communicate globally. IFRS applies to publicly traded corporations, while ASPE was created to help private businesses make the transition to global accounting standards.

1.1.6 ... examine various career opportunities available in the accounting professions and how accounting knowledge can benefit students in several career pathways

Students should explore how knowledge and skills in accounting are applied in various careers and occupations. A variety of Canadian professional accounting designations should be reviewed (e.g., accounts receivable clerk, payroll clerk, accounts payable clerk, accounting technician, chartered professional accountant). Students should also learn how a background in accounting can be applied across a broad range of other disciplines and occupations (e.g., administrative assistants, advertising and marketing, education, law enforcement, media and communications, public relations, publishing and printing, research, tourism and hospitality, and transportation). Finally, knowledge and skills in accounting can support people in their daily lives (e.g., budgeting, banking, completing taxes, planning).

It would be beneficial to invite an accounting professional to visit the class as a guest speaker to answer students' questions regarding opportunities, various career pathways, credentials, salaries, and general duties. Career profiles, which are included throughout the textbook, are designed to make students aware of the jobs, careers, and opportunities in the accounting.

Accounting Principles

ACC621A

1.2

		Factual	Conceptual	Procedural	Metacognitive
1	Remembering				
	Understanding				
2	Applying				
	Analysing				
3	Evaluating				
	Creating				

Accounting Fundamentals and the Accounting Cycle

SCO 1.2 The Accounting Equation

Students will be expected to ...

analyse factors and processes significant to the accounting equation.

Achievement Indicators

Students who have achieved this outcome should be able to

- 1.2.1 define assets, liabilities, and owner's equity
- 1.2.2 classify accounts as either assets, liabilities, or owner's equity
- 1.2.3 understand commonly used accounts (e.g., accounts receivable and accounts payable)
- 1.2.4 explain the relationship between assets, liabilities, and owner's equity using the accounting equation
- 1.2.5 analyse business transactions using the accounting equation

Elaboration

1.2.1 ... define assets, liabilities, and owner's equity

Considering each business transaction will cause a change in assets, liabilities, or owner's equity, it is important students have a firm grasp on what each term means and represents. Assets describe what an organization has invested in, and they commonly provide future benefits to the organization. Liabilities are the debts or obligations of an organization, and therefore can be described as claims others have against an organization's assets. Finally, equity is the owner's claim on the assets of an organization and therefore indicates what is owned by the owner. At the beginning of the course, it might help to identify assets, liabilities, and equity at a personal level in order to relate the concepts into terms that connect with a students' background and experience.

1.2.2 ... classify accounts as either assets, liabilities, or owner's equity

Students should be able to classify various accounts as assets (e.g., cash, accounts receivable, prepaid expenses, land, buildings, and machinery), liabilities (e.g., accounts payable, accrued liabilities, and loans), and equity. The main account associated with equity is owner's capital; however, drawings, revenues, and expenses are also accounts affecting equity.

1.2.3 ... understand commonly used accounts (e.g., accounts receivable and accounts payable)

As students progress through the course, they should be able to add accounts to each category. By having a solid understanding of each account, students will have more confidence and ability to analyse financial information.

1.2.4 ... explain the relationship between assets, liabilities, and owner's equity using the accounting equation

The accounting equation describes the relationship between assets, liabilities, and equity, and essentially forms the foundation of accounting theory. Students should therefore have a solid understanding of the accounting equation and why it must balance at all times. The accounting equation measures the resources of a business against the claims to those resources. It may be helpful to explain the terms debtor and creditor to students. A debtor is a person or business that owes money to another party; the party to whom the money is owed is the creditor. Assets are subject to claims from creditors and owners. This may be an ideal time to introduce the balance sheet and/or statement of net worth.

1.2.5 ... analyse business transactions using the accounting equation

As previously mentioned, each account students use in this course will be an asset, liability, or equity account. To build the skills necessary to begin the accounting cycle, students should first become confident analysing business transactions using the accounting equation. This method allows students to use the accounting equation to track changes in a company's assets, liabilities, and equity. When moving through various transactions, it is important that students recognize that the accounting equation remains in balance. Practice in this area helps students understand the fundamentals of the double-entry accounting system, which they will see and use throughout the course. When analysing a transaction, students should first pinpoint the accounts involved. Once they have done that, they can determine if the accounts have increased or decreased. This process should be firmly understood before debits and credits are mentioned.

Accounting Principles

ACC621A

1.3

		Factual	Conceptual	Procedural	Metacognitive
1	Remembering				
	Understanding				
2	Applying				
	Analysing				
3	Evaluating				
	Creating				

Accounting Fundamentals and the Accounting Cycle

SCO 1.3 Financial Statements

Students will be expected to ...

analyse the factors and processes necessary to create financial statements for a service business.

Achievement Indicators

Students who have achieved this outcome should be able to

- 1.3.1 distinguish between the income statement and balance sheet (e.g., objective, time period, accounts, and structure)
- 1.3.2 distinguish between current and long-term assets, current and long-term liabilities, revenues, and expenses
- 1.3.3 examine the effect transactions have on the balance sheet and income statement
- 1.3.4 understand the connections between the balance sheet and income statement
- 1.3.5 prepare interim and formal income statements and balance sheets
- 1.3.6 discuss the use and users of financial statements

Elaboration

1.3.1 ... distinguish between the income statement and balance sheet (e.g., objective, time period, accounts, and structure)

Students should have a firm grasp on both the balance sheet and income statement. The balance sheet reports the financial position of a business at a point in time. The balance sheet acts like a snapshot of the business and lists the dollar amounts of assets, liabilities, and equity on a specific date. The term snapshot is used because a balance sheet is only accurate for a short time. A single transaction will render the balance sheet out of date. When teaching the balance sheet it is important to highlight that assets appear on the left side of the balance sheet, while liabilities and equity appear on the right side. This also applies to the accounting equation. Emphasizing the two sides will help when introducing debits and credits later in the course.

An income statement reports revenues earned less expenses incurred by a business over a period of time. While the balance sheet is comparable to a snapshot, the income statement is more like a video.

1.3.2 ... distinguish between current and long-term assets, current and long-term liabilities, revenues, and expenses

The balance sheet makes an important distinction between current and long-term assets and liabilities. Current assets and liabilities are expected to be converted into cash or paid within one year or less. Students should understand the concept of liquidity, and realize that the order in which accounts are listed reflect how quickly they can be converted into cash. All other assets and liabilities are considered long-term because they are expected to remain on the firm's books for one year or more. Equity is assumed to have an indefinite life.

The income statement holds one of the most important pieces of information — net income or net loss. Students should understand the difference between net income (profit) and net loss. Revenues result from the sale of goods or services to customers as part of a business's main operations. Expenses are costs associated with producing revenue.

1.3.3 ... examine the effect transactions have on the balance sheet and income statement

To be considered a transaction, assets, liabilities, and/or equity must be affected. As students begin to analyse transactions, they should be thinking about how the accounts involved impact the balance sheet or income statement. It may help if students record the effects of various transaction on a balance sheet or income statement. It is important for students to understand that no transaction can cause the accounting equation to be out of balance.

1.3.4 ... understand the connections between the balance sheet and income statement

To properly understand the balance sheet and income statement, students must recognize the links between the two. It is best to establish these links as early in the process as possible. For example, making sales on credit generates accounts receivable; selling products requires a business to carry inventory; incurring expenses for making sales requires a business to maintain a working cash balance; depreciation expense is recorded for the use of long-term assets; and borrowing money on notes payable generates an interest expense. These are some of the links students should understand.

Elaboration

1.3.5 ... prepare interim and formal income statements and balance sheets

Students should begin to prepare simple financial statements and build to more complex and formal financial statements as the course and their skills progress. Students should take care to prepare each statement using the proper structure and framework.

Students should understand how equity accounts on the balance sheet relate to each other. This can be simplified by showing them the equity equation:

Beginning Capital (+/-) Net Income/Net Loss - Drawings = Ending Capital.

1.3.6 ... discuss the use and users of financial statements

Financial statements have many uses for a variety of decision-makers, including owners and managers, lenders, investors, and income tax authorities. As stated before, the main objective of financial statements is to provide information about a business' financial position so informed decisions can be made. Stakeholders are usually most interested in performance and changes in financial position. Financial statements provide useful information to many users (e.g., managers, shareholders, prospective investors, financial institutions, suppliers, customers, competitors, employees). Students should understand why each user may be interested in the information contained in a business' financial statements and what specifically each would be looking for.

Accounting Principles

ACC621A

1.4

		Factual	Conceptual	Procedural	Metacognitive
1	Remembering				
	Understanding				
2	Applying				
	Analysing				
3	Evaluating				
	Creating				

Accounting Fundamentals and the Accounting Cycle

SCO 1.4 Beginning the Accounting Cycle

Students will be expected to ...

analyse the factors and processes necessary for preparing the general journal, general ledger, and trial balance for a service business.

Achievement Indicators

Students who have achieved this outcome should be able to

- 1.4.1 explain the use of, and relationship between, the general journal, general ledger, and trial balance
- 1.4.2 interpret the information contained in various source documents (e.g., cash sales slips, sales invoices, purchase invoices, and cheques)
- 1.4.3 apply the concepts and rules of debit and credit to both balance sheet and income statement accounts
- 1.4.4 demonstrate skill in properly recording a variety of transactions - including HST
- 1.4.5 understand the impact of transactions on accounts
- 1.4.6 prepare a general journal
- 1.4.7 prepare a general ledger using both the T-account approach and the balance column account approach
- 1.4.8 prepare a trial balance
- 1.4.9 examine and correct any errors/discrepancies in the general journal, general ledger, and trial balance

Elaboration

1.4.1 ... explain the use of, and relationship between, the general journal, general ledger, and trial balance

Students should understand that transactions are first recorded by accounting personnel as journal entries. The journal is known as the book of original entry. Accountants use a general journal to keep all entries together in order of their occurrence. The journal provides a record of continuous transactions. Journalizing is the process of recording accounting entries in the journal. A journal entry includes the date of the transaction, the titles of affected accounts, the dollar amount of each debit and credit, and, typically, an explanation of the transaction. Since the journal is organized chronologically, it provides a resource to quickly locate the details of specific transactions.

The general ledger includes all of the individual accounts needed to record the transactions of a business. While the general journal provides a chronological list of transactions, the general ledger details the balances and debits and credits for each specific account. In the business world, the ledger is typically kept up to date, and entries are posted as soon as possible. All entries must be posted by the end of a reporting period. This ensures account balances are current when financial statements are prepared.

The trial balance checks whether debit and credit account balances from the ledger are equal. By completing the trial balance, students will find out if their work is in balance or out of balance.

1.4.2 ... interpret the information contained in various source documents (e.g., cash sales slips, sales invoices, purchase invoices, and cheques)

Accounting personnel use source documents to record transactions properly. Source documents also provide proof and objective evidence that a transaction occurred. The source document gives the necessary information to account for each transaction. These documents are the foundation on which accounting information is built. Through the proper interpretation of source documents, students will be able to enter the correct journal entries. Some examples of source documents include cash sales slips, sales invoices, purchase invoices, and cheque copies.

1.4.3 ... apply the concepts and rules of debit and credit to both balance sheet and income statement accounts

Students will need to apply their skills of analysing business transactions using the accounting equation to the concepts and rules of debits and credits. This is arguably one of the most important concept for accounting students to understand in order to be successful in the course. Double-entry accounting means that each transaction requires two or more entries that must balance. The total amount debited must equal the total amount credited for each transaction. When introducing this concept, it is important to dispel the myth that credit is good and debit is bad.

While they learn about debits and credits, students should not lose track of how transactions impact accounts and financial statements. Learning about debits and credits can sometimes be very confusing for students. The shaded areas in the T-accounts below highlight the normal balance of each type of account. The normal balance refers to the debit or credit side where increases are recorded. For each account, students should understand they need to record increases on the normal balance side and decreases on the other side. Students will benefit by doing several examples of a wide variety of transactions.

Assets		Liabilities		Owner's Equity							
				Owner's Capital		Revenues		Expenses		Owner's Withdrawals	
											
Debit for increases +	Credit for decreases -	Debit for decreases -	Credit for increases +	Debit for decreases -	Credit for increases +	Debit for decreases -	Credit for increases +	Debit for increases +	Credit for decreases -	Debit for increases +	Credit for decreases -

Elaboration

1.4.4 ... demonstrate skill in properly recording a variety of transactions - including HST

As previously stated, students will benefit by doing several examples of a wide variety of transactions. If students struggle with properly recording transactions, they should review the material covered earlier in the semester. Students should begin by analysing transactions using T-accounts. T-accounts are a straightforward method to show how the accounting process works, and excludes many details that are less important at this time. Students should have a solid grasp of the T-account approach because it will get them to think in terms of left and right concepts. The dollar value of any asset on the balance sheet are recorded on the left side of the T-account, while the dollar value of liabilities and equity are recorded on the right side.

Although taxation can be a complex topic, students need to become familiar with the accounting procedures surrounding harmonized sales tax. Students should be able to define terms related to sales tax (e.g., value-added tax, contra account, and remittance). They should also be able to record transactions related to Harmonized Sales Tax (e.g., collections and remittances). Students may benefit from a brief comparison and history of Goods and Services Tax, Harmonized Sales Tax, and provincial sales tax.

1.4.5 ... understand the impact of transactions on accounts

Students should understand the changes caused by business transactions will change the balances of accounts. If they understand the bigger picture of how transactions impact accounts, they will better understand the logic behind debits and credits.

1.4.6 ... prepare a general journal

By the time students prepare a general journal, the need for a record of all daily transactions should be clear. At this stage, it is important to stress organization, neatness, and mindfulness regarding students' work. Students should learn this early in order to minimize mistakes and confusion throughout the course caused by illegible writing and careless mistakes. Each transaction will require four steps: date, debit accounts, credit accounts, and explanation.

1.4.7 ... prepare a general ledger using both the T-account approach and the balance column account approach

Eventually, students will understand that in practice, accounting systems need more structure than a T-account. Students should therefore learn to prepare a general ledger using the balance column account approach. Students should understand that the balance column account is simply an extension of the T-account.

The information for the accounts within the ledger is usually taken from the balance sheet, therefore the ledger begins in a balanced position. The changes due to business transactions are then recorded in the ledger. After each transaction is recorded, the ledger must balance.

Posting requires students to transfer information from the journal to the ledger. Students should be able to apply the six steps in posting: record the date, record the page number of the journal, record the amount, calculate the new balance, enter the new account balance, and finally record the number of the ledger account in the journal. This process can be simplified if you tell students to work from left to right. Because posting is mainly mechanical in nature and requires little critical thought, students may try to take shortcuts. This can be a hazard and lead to errors.

Elaboration

1.4.8 ... prepare a trial balance

It is important that students understand that the trial balance needs to be prepared to check the accuracy of the ledger. When looking at a completed ledger, students should consider what would happen if all the debit account balances were placed in one column and all the credit account balances were placed in the other. Students should understand that if the two rows were totaled, they should be equal. This is true because when each entry was made, the total debits always equalled the total credits. Therefore, the trial balance relates to what students should already understand regarding debit/credit theory. If the debits and credits of each individual transaction must balance, then the overall debits and credits of a business must balance. A trial balance lists the account balances in a ledger. By doing this, it is easy to see the dollar value of each account.

In a computerized program the ledger is never out of balance, however in manual accounting this process is called taking off a trial balance. This process will reward the students who have taken their time and worked carefully. Students need to understand that they must have a balanced trial balance before preparing any other documents.

1.4.9 ... examine and correct any errors/discrepancies in the general journal, general ledger, and trial balance

If students find their work is out of balance, they must develop the skills to find their errors and correct them. Students may think that a simple solution to solve their errors is to look at a friend's work that is in balance, however, this option does not exist in real life and will not help them when they face errors on a test/exam.

Accounting students can sometimes invent shortcuts when doing their work which can lead to errors. There is a formal process for each step of the accounting cycle in order to minimize errors. Students should therefore avoid taking shortcuts when doing their work. It is important to note that the most errors generally occur during posting. Students should understand the various actions required to correct errors whenever they happen to be discovered.

Accounting Principles

ACC621A

Accounting Fundamentals and the Accounting Cycle

1.5

		Factual	Conceptual	Procedural	Metacognitive
1	Remembering				
	Understanding				
2	Applying				
	Analysing				
3	Evaluating				
	Creating				

SCO 1.5 Completing the Accounting Cycle

Students will be expected to ...

analyse the factors and processes necessary to complete the accounting cycle for a service business.

Achievement Indicators

Students who have achieved this outcome should be able to

- 1.5.1 demonstrate an understanding of adjusting entries—including depreciation
- 1.5.2 prepare adjusting journal entries
- 1.5.3 prepare a worksheet that incorporates adjusting entries (e.g., prepaid expenses, depreciation, supplies, and accruals)
- 1.5.4 journalize and post closing entries
- 1.5.5 prepare a post-closing trial balance
- 1.5.6 examine and correct any errors/discrepancies in the closing process
- 1.5.7 apply relevant procedures and principles at each stage of the accounting cycle (e.g., revenue recognition, expense recognition, time period concept, and the matching principle)

Elaboration

1.5.1 ... demonstrate an understanding of adjusting entries — including depreciation

Students should understand the adjustment process ensures accounts are up to date, late transactions are taken into account, calculations have been made correctly, and accounting principles have been followed. Revenues and expenses are recorded as they occur, not when cash or bills are received. Students should understand that accrual accounting is recording revenues and expenses when they happen, not necessarily when cash is received or paid out. Adjusting entries are essential in order to accurately reflect value, considering the value of an account can change without transactions taking place. Every adjusting entry has an income statement portion and a balance sheet portion.

The adjustment for long-term assets is referred to as depreciation. Students should understand the nature and concept of depreciation. They should also learn about straight-line depreciation and declining-balance depreciation. Also, the link between accumulated depreciation and depreciation expense should be understood.

1.5.2 ... prepare adjusting journal entries

Students will need to prepare adjusting entries for a variety of items. The main items that typically require adjusting at the end of the fiscal year are supplies, unearned revenue, prepaid expenses, accounts that are impacted after receiving late invoices, and depreciation. It is important to note that students should not credit or debit Bank when preparing an adjusting entry. A cheque is never prepared for an adjusting entry.

1.5.3 ... prepare a worksheet that incorporates adjusting entries (e.g., prepaid expenses, depreciation, supplies, and accruals)

A worksheet is an informal business paper used to organize and plan the information for financial statements. Students should understand that the worksheet captures the entire accounting process and helps avoid making errors, especially when working with a great deal of information. Students should prepare a worksheet with adjusting entries.

1.5.4 ... journalize and post closing entries

One of the final steps of the accounting cycle is to prepare the accounts for the next fiscal period. To do this, students should understand which accounts have balances that continue from one period to the next and which do not. Students will need to reset nominal or temporary accounts to zero. These accounts refer to specific revenue, expense, income (or loss), and drawing accounts. Students should understand that these accounts collect data for only one fiscal period, and therefore, at the end of each fiscal period must be reset back to zero.

1.5.5 ... prepare a post-closing trial balance

After the closing entries have been journalized, students must check the accuracy of the ledger. This is done by taking off the post-closing trial balance.

1.5.6 ... examine and correct any errors/discrepancies in the closing process

Again, it is important that students are able to balance all accounts and discover errors if they are unable to balance the first time through.

1.5.7 ... apply relevant procedures and principles at each stage of the accounting cycle (e.g., revenue recognition, expense recognition, time period concept, and the matching principle)

Students need a strong understanding of the procedures and principles that guide the accounting cycle. These aid in producing relevant, reliable, consistent, and comparable information.

Unit 2: Accounting for a Merchandising Business and Within a Computer Application

SCO	<i>Students will be expected to ...</i>
2.1 Accounting for a Merchandising Business	<ul style="list-style-type: none"> analyse the procedures and principles of the accounting cycle for a merchandising business
2.2 Computer Applications in Accounting	<ul style="list-style-type: none"> apply accounting practices in a computerized environment

Students have moved through the accounting cycle with a service business. This unit will allow them to study accounting for a merchandising business. Merchandisers are often identified as either wholesalers or retailers. The second outcome relates to the importance of software when working in accounting. Using software helps students bring the accounting cycle together. Most businesses operate using computerized accounting software; it is the fundamental tool within the accounting profession. The purpose of this outcome is to have students become familiar with the capabilities and features of software within an accounting context. This outcome should not be attempted until students have a solid foundation using the manual approach.



		Knowledge Process Dimension			
		Factual	Conceptual	Procedural	Metacognitive
1	Remembering				
	Understanding				
2	Applying			2.2	
	Analysing			2.1	
3	Evaluating				
	Creating				

Accounting Principles

ACC621A

Accounting for a Merchandising Business and Within a Computer Application

2.1

		Factual	Conceptual	Procedural	Metacognitive
1	Remembering				
	Understanding				
2	Applying				
	Analysing				
3	Evaluating				
	Creating				

SCO 2.1 Accounting for a Merchandising Business

Students will be expected to ...

analyse the procedures and principles of the accounting cycle for a merchandising business.

Achievement Indicators

Students who have achieved this outcome should be able to

- 2.1.1 describe the principal accounting elements particular to a merchandising business (e.g., new accounts, cost of goods sold, and gross margin)
- 2.1.2 describe the benefits and limitations of the periodic and perpetual inventory systems
- 2.1.3 record transactions in the general journal of a merchandising business
- 2.1.4 prepare a worksheet and income statement for a merchandising business
- 2.1.5 compare the balance sheet of a merchandising business and a service business

Elaboration

2.1.1 ... describe the principal accounting elements particular to a merchandising business (e.g., new accounts, cost of goods sold, and gross margin)

This is the entry point students need in order to discover the additional accounting procedures needed for a merchandising business. Students should understand the difference between a service business and a merchandising business. Using examples of real businesses within the community may help with this distinction. Students should understand the difference between retailers, wholesalers, and manufacturers.

The activities of a merchandising business differ from those of a service company. A merchandiser earns profits by buying and selling goods. Because of this difference, merchandise inventory will appear on the balance sheet and cost of goods sold appears on the income statement. The quantity of goods on hand is called merchandise inventory. This is included as a current asset on the balance sheet.

2.1.2 ... describe the benefits and limitations of the periodic and perpetual inventory systems

Students should understand and be able to describe the benefits and limitations of the periodic and perpetual inventory systems.

Students should understand that some businesses find it more convenient and efficient to calculate the cost of goods sold only at the end of an accounting period when financial statements are required. This inventory system is known as the periodic inventory system. Some businesses need up to date information of their merchandise due to several variables: trends, spoilage, theft. The perpetual inventory system provides current information of a business's merchandise allowing them to act quickly when dealing with various opportunities or problems. The perpetual system requires an extra journal entry for each sale.

2.1.3 ... record transactions in the general journal of a merchandising business

Students should complete a variety of transactions using the new accounts associated with a merchandising business (e.g., merchandise inventory account, purchase account, sales account, and freight-in account).

2.1.4 ... prepare a worksheet and income statement for a merchandising business

Students will need to understand how to move through the accounting cycle for a merchandising business. Since students have already learned the process of moving through the accounting cycle for a service business, they can spend more time on the concepts that are unique to a merchandising business, rather than relearning the entire process. When preparing an income statement for a merchandise business, students should include cost of goods sold.

2.1.5 ... compare the balance sheet of a merchandising business and a service business

Due to the overlap between the balance sheet of a merchandising business and a service business, students do not need to begin this process from scratch. Students should be able to transfer their knowledge of a balance sheet to a merchandising business, therefore, time would be better spent distinguishing between the two financial statements. Essentially, the only real difference relates to the reporting of goods or inventory.

Accounting Principles

ACC621A

Accounting for a Merchandising Business and Within a Computer Application

2.2

		Factual	Conceptual	Procedural	Metacognitive
1	Remembering				
	Understanding				
2	Applying				
	Analysing				
3	Evaluating				
	Creating				

SCO 2.2 Computer Applications in Accounting

Students will be expected to ...

apply accounting practices in a computerized environment.

Achievement Indicators

Students who have achieved this outcome should be able to

- 2.2.1 use software to complete various steps of the accounting cycle
- 2.2.2 use software to prepare and analyse financial statements

Elaboration

2.2.1 ... use software to complete various steps of the accounting cycle

Students will quickly discover the benefits of using a computerized program to complete various steps of the accounting cycle. . Accounting software programs prevent users from entering unbalanced accounting entries. The programs also generate and sort information after transactions have been entered.

The spreadsheet exercises in the textbook progress gradually and initially require only a basic level of skill. Detailed instructions are provided to support students through the exercises, however teachers may consider showing students some fundamental tips when working with spreadsheets.

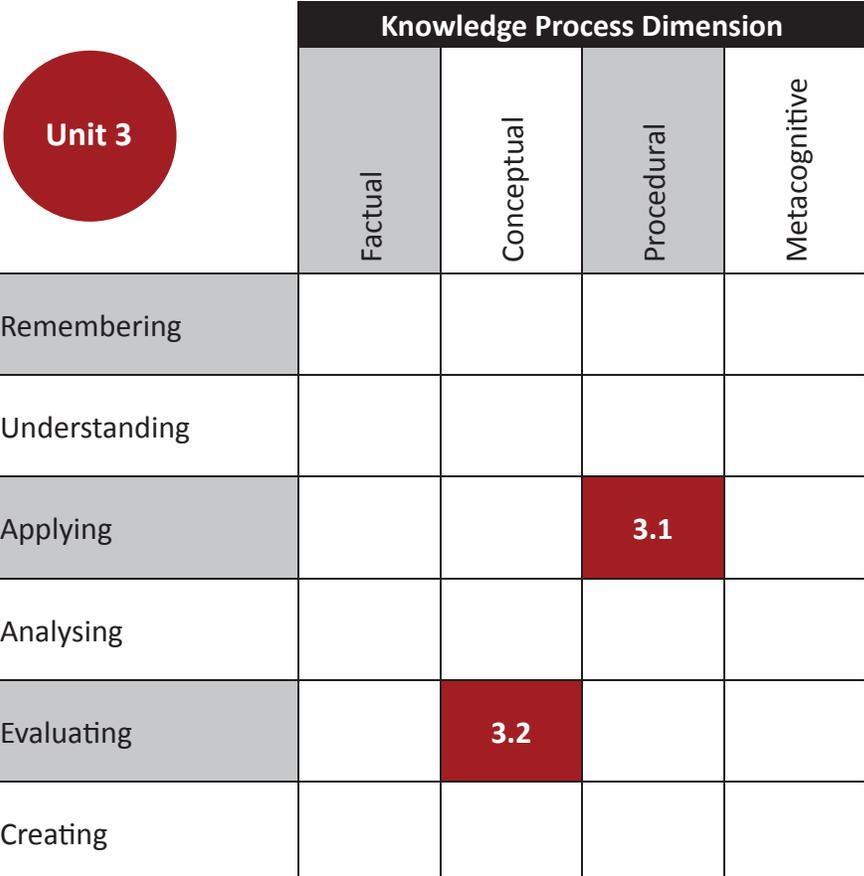
2.2.2 ... use software to prepare and analyse financial statements

Students can combine this outcome with SCO 3.2.

Unit 3: Internal Control, Financial Analysis, and Decision-Making

SCO	Students will be expected to ...
3.1 Internal Control	<ul style="list-style-type: none"> apply concepts of internal cash control and banking procedures to a business
3.2 Financial Analysis and Decision-Making	<ul style="list-style-type: none"> evaluate accounting data for decision-making purposes

The first outcome in this unit focuses on a business's cash - its most important asset. Businesses are always concerned with safeguarding their cash. It is important that a business can convert its profits into cash as quickly as possible, since a business needs cash to maintain operations. Cash is used to pay suppliers, loans, employees, and owners. If cash is not controlled and monitored, it can be devastating for a business. This outcome will show students how cash enters a business and how it is used. Students should learn about petty cash funds, bank reconciliations and cash proofs. The final outcome relates to financial analysis and decision making. As stated in the elaboration for the first outcome, accounting generally refers to a system of dealing with financial data that provides information to decision-makers. This outcome will allow students to evaluate accounting data using ratios and other forms of analysis, in order to make decision.



		Knowledge Process Dimension			
		Factual	Conceptual	Procedural	Metacognitive
1	Remembering				
	Understanding				
2	Applying			3.1	
	Analysing				
3	Evaluating		3.2		
	Creating				

Accounting Principles

ACC621A

3.1

		Factual	Conceptual	Procedural	Metacognitive
1	Remembering				
	Understanding				
2	Applying				
	Analysing				
3	Evaluating				
	Creating				

Internal Control, Financial Analysis, and Decision-Making

SCO 3.1 Internal Control

Students will be expected to ...

apply concepts of internal cash flow and banking procedures to a business.

Achievement Indicators

Students who have achieved this outcome should be able to

- 3.1.1 describe the basic elements of an internal control system (e.g., separation of duties, prenumbered documents, and rotation of staff)
- 3.1.2 compare electronic cash receipts and physical cash receipts
- 3.1.3 prepare a daily cash proof and record shortages and overages
- 3.1.4 apply appropriate control measures used for a petty cash fund (e.g., establishing, operating, and replenishing)
- 3.1.5 prepare a bank reconciliation

Elaboration

3.1.1 ... describe the basic elements of an internal control system (e.g., separation of duties, prenumbered documents, and rotation of staff)

Students should understand that a proper internal control system will look different depending on the size of a business. When the number of employees increases, it becomes even more necessary for a business to take precautions and establish an internal control system.

3.1.2 ... compare electronic cash receipts and physical cash receipts

Cash receipts are funds taken in from business operations. There are electronic cash receipts and physical cash receipts. Students should be able to explain the differences between them. Electronic receipts refer to credit cards, debit cards, and electronic transfers. By accepting electronic transactions, a business creates convenience for its customers; however, this convenience comes with a cost. Fees are typically charged for the privilege and convenience of receiving funds through electronic transactions. Physical cash receipts can come as mail receipts, cash register receipts, and over-the-counter sales.

3.1.3 ... prepare a daily cash proof and record shortages and overages

To prove that cash receipts are correct, source documents are compared with physical cash as part of a cash proof. It is important students understand why different people must complete different stages of a cash proof, how to deal with cash shortages and overages, and how to journalize transactions involving cash receipts.

3.1.4 ... apply appropriate control measures used for a petty cash fund (e.g., establishing, operating, and replenishing)

A petty cash fund is a small amount of cash a business keeps on hand for small expenditures. Students should know how to establish a petty cash fund, operate the fund, and replenish the fund when necessary.

3.1.5 ... prepare a bank reconciliation

Finally, a bank reconciliation is a routine procedure to determine why the balance on deposit in the bank does not agree with the balance of cash shown by the books of the business. To complete this process, students should prepare a bank reconciliation statement.

Accounting Principles

ACC621A

Internal Control, Financial Analysis, and Decision-Making

3.2

		Factual	Conceptual	Procedural	Metacognitive
1	Remembering				
	Understanding				
2	Applying				
	Analysing				
3	Evaluating				
	Creating				

SCO 3.2 Financial Analysis and Decision-Making

Students will be expected to ...

evaluate accounting data for decision-making purposes.

Achievement Indicators

Students who have achieved this outcome should be able to

- 3.2.1 determine the role and impact of accounting information in decision-making
- 3.2.2 analyse the advantages and disadvantages of different forms of internal financing (e.g., retaining earnings, tighter credit controls, reducing inventory, and delaying payables) and external financing (e.g., obtaining bank loans, issuing shares, and issuing bonds)
- 3.2.3 interpret financial statements to extract meaning
- 3.2.4 evaluate the financial status of a business by using financial ratios, horizontal analysis, and vertical analysis
- 3.2.5 recommend changes to strengthen and improve the financial status of a business

Elaboration

3.2.1 ... determine the role and impact of accounting information in decision-making

Students should understand how accounting information is used by company personnel to make decisions. They should also understand the role of financial analysis from the perspective of various stakeholders outside of the business — including investors, lenders, and suppliers.

3.2.2 ... analyse the advantages and disadvantages of different forms of internal financing (e.g., retaining earnings, tighter credit controls, reducing inventory, and delaying payables) and external financing (e.g., obtaining bank loans, issuing shares, and issuing bonds)

Students should examine the advantages and disadvantages of the various forms of internal and external financing.

3.2.3 ... interpret financial statements to extract meaning

Students need to see the accounts in financial statements as more than just numbers on a page. They need to develop the skills and knowledge to interpret those numbers and extract meaning. Although a trained eye can pull a great deal of information from looking at the financial statements of a business, there are measurement tools to make analyzing accounting statements easier. Financial statements provide raw data that can be difficult to analyse. This is especially true when trying to compare the financial statements from different years.

3.2.4 ... evaluate the financial status of a business by using financial ratios, horizontal analysis, and vertical analysis

Students should do a comparative analysis and review the financial statements of a business over consecutive years. This will allow students to see areas in which the business progressed, areas where it is stagnant, and areas that have become worse. Students can quantify this process into percentages by doing a horizontal analysis. Students should be able to make suggestions as to why a particular account increased or decreased. Students can also do a vertical analysis and convert each item on the income statement into a percentage of sales. Both of these techniques allow a business to compare its financial statements to those of its competitors and to benchmarks within the sector. Financial ratios are also used when analysing financial statements. Ratio analysis involves methods of calculating and interpreting financial ratios to assess the performance of a business. The result of each ratio calculation can be one of three types: (1) a percent (e.g., 22.4%), (2) a multiplier (e.g., 1.32 X), and (3) a number of days (e.g., 19.6 days). Students must understand the ratio to know the unit of the answer. The basic inputs for ratio analysis are derived from the income statement and balance sheet. Students should analyse a company's liquidity, solvency, and profitability using financial ratios. It is important that students learn to complete ratio analysis. As discussed in Unit 1, the accounting process is composed of recording, classifying, summarizing, reporting, analysing, and interpreting. To fulfill many of the components within this process, it is essential to be familiar with a company's financial position, especially the strengths and weaknesses. A ratio analysis provides this detail. It is much easier to look at a sequence of ratios, than interpret numbers from looking at the financial statements.

3.2.5 ... recommend changes to strengthen and improve the financial status of a business

After evaluating the financial status of a business, students should be able to extract greater meaning from financial statements. With this new found information students should make recommendations in order to strengthen a businesses financial status. Some recommendations may include suggestions related to liquidity, activity, leverage, and profitability.