

Accounting Lesson Plan**Business****Teacher:** Joni Bond**Class:** Accounting I**Grade Level:** 10-12**Unit Title:** Financial Statements for a Proprietorship**Time Frame:** 2x45 minute class periods

Description: During this lesson, students will be using their knowledge of income statement and balance sheet concepts to analyze and evaluate “real life” income statements and balance sheets. They will also compare and contrast these financial statements with those that we use in class to understand that they are learning the foundation of what goes into these complex statements.

Objectives: Students will be able to:

1. Compare and contrast real company balance sheets and income statements to the ones we use in class
2. Use the current ratio to evaluate the strength of different business’s balance sheets
3. Use component percentages to determine whether or not different businesses have acceptable component percentages in their income statements

Missouri Business Competencies: Accounting I A8

Depth of Knowledge Level: Level 4 – Extended Thinking

Materials/Resources Needed: Computer, Internet access, Activity Sheet

Technology Integration: Internet

URL Resources:

- www.smallbusinessnotes.com/operating/finmgmt/financialstmts/balanceexample.html
- <http://www.smallbusinessnotes.com/operating/finmgmt/financialstmts/incomeexample.html>
- www.pepsico.com/Download/PEPSICO_AR.pdf
- http://www.thecoca-colacompany.com/investors/pdfs/form_10K_2009.pdf

Workplace Readiness Skills: Students will be applying what they have learned in class to “real world” financial statements. They will evaluate and make judgments, which is what accountants do in the workplace.

The Lesson**Anticipatory Set:**

- What are the acceptable component percentages for Net Income and Expenses we discussed in class?
 - Net Income: Not less than 20% of total sales (revenue)
 - Expenses: No more than 80% of total sales (revenue)
- Component percentages show percentages of what total?
 - Sales
- What equation do we use to measure the financial strength of a business? Write the equation.
 - Current Ratio = Assets/Liabilities

Guided Practice/Modeling: Do a few examples of determining acceptable component percentages and strength of a balance sheet to refresh students memories before they must do it on their own.

Input Activities: Define and explain “annual report” – students will be looking at a couple of annual reports and should know what it is that they are looking at.

Independent Practice: Attached Activity

Criteria	Yes	No
Present information to class (5 pts.)		
Introduce Presentation appropriately (5 pts.)		
Outline the topic on the PowerPoint		
Describes the topic and states where additional information may be obtained (30 pts.)		
Compiles an appropriate closing or summary (10 pts.)		
Proofreads so there are no typographical, grammars, or spelling errors (20 pts.)		
Lists resource sites on the presentation with at least three resources used. (10 pts.)		
Used professionalism in preparing and presenting the topic (10 pts.)		
Total Possible	100 points	
