

**COURSE FIN1030: ACCOUNTING CYCLE 2**

**Level:** Introductory

**Prerequisite:** FIN1020: Accounting Cycle 1

**Description:** Students complete the accounting cycle for a service business, preparing financial statements and closing accounts. They also will explore other factors of a business, including budgets.

**Parameters:** Access to appropriate computer equipment, a computerized spreadsheet or financial software, the Internet and support materials.

**Supporting Course:** INF1060: Spreadsheet 1 or  
INF2080: Spreadsheet 2

**Outcomes:** The student will:

- 1. identify and apply the steps in the accounting cycle, from the worksheet to the post-closing trial balance, for a service business**
  - 1.1 record all ledger accounts in the trial balance section of the worksheet
  - 1.2 classify and record ledger account balances in the appropriate section of the worksheet and calculate the net income or net loss
  - 1.3 prepare an income statement, a statement of changes in owner's equity and a balance sheet from the information in a completed worksheet
  - 1.4 record closing entries in a journal
  - 1.5 post the closing entries to the appropriate accounts
  - 1.6 outline the purpose of a post-closing trial balance
  - 1.7 prepare a post-closing trial balance from the general ledger
- 2. recognize the need for preparing budgets**
  - 2.1 describe the need for preparing specific budgets as a planning tool
  - 2.2 prepare a simple budget for a small business
  - 2.3 compare actual revenues and expenditures with budgeted amounts for the purpose of decision making
- 3. demonstrate basic competencies**
  - 3.1 demonstrate fundamental skills to:
    - 3.1.1 communicate
    - 3.1.2 manage information
    - 3.1.3 use numbers
    - 3.1.4 think and solve problems
  - 3.2 demonstrate personal management skills to:
    - 3.2.1 demonstrate positive attitudes and behaviours
    - 3.2.2 be responsible
    - 3.2.3 be adaptable
    - 3.2.4 learn continuously
    - 3.2.5 work safely
  - 3.3 demonstrate teamwork skills to:
    - 3.3.1 work with others
    - 3.3.2 participate in projects and tasks

- 4. make personal connections to the cluster content and processes to inform possible pathway choices**
  - 4.1 complete/update a personal inventory; e.g., interests, values, beliefs, resources, prior learning and experiences
  - 4.2 create a connection between a personal inventory and occupational choices