

# Accounting 2

Explain the purpose and demonstrate the steps of the accounting cycle for a corporation using generally accepted accounting principles (GAAP) [BMM.HS.2.1](#)

- a** Define accounting and related concepts to explain the purpose of the accounting system and its relationship to business. [BMM.HS.2.1.A](#)

---

- b** Analyze business transactions using special journals and describe the effect on the accounting equation. [BMM.HS.2.1.B](#)

---

- c** Prepare a worksheet and financial statements to evaluate changes in a fiscal period. [BMM.HS.2.1.C](#)

---

- d** Analyze and record transactions including adjusting, closing, and correcting entries. [BMM.HS.2.1.D](#)

---

- e** Prepare posts to the ledger and compare the relationship between journals, ledgers, and financial statements. [BMM.HS.2.1.E](#)

---

- f** Compare the different forms of business ownership and the advantages and disadvantages of each form. [BMM.HS.2.1.F](#)

Prepare and maintain payroll records and business-tax-related records. [BMM.HS.2.2](#)

- a** Prepare and maintain payroll records and tax forms. [BMM.HS.2.2.A](#)

---

- b** Calculate various forms of earning (e.g., hourly, salary, commission). [BMM.HS.2.2.B](#)

---

- c** Calculate employee and employer tax deductions (e.g., Social Security, Medicare, state income tax, federal income tax, unemployment). [BMM.HS.2.2.C](#)

---

- d** Differentiate between taxation at the personal and business levels. [BMM.HS.2.2.D](#)

Prepare, interpret, and analyze financial statements for a corporation. [BMM.HS.2.3](#)

- a** Prepare an income statement, statement of stockholders' equity, and balance sheet. [BMM.HS.2.3.A](#)

---

- b** Prepare and understand specialized financial statements for controlling and subsidiary accounts. [BMM.HS.2.3.B](#)

---

- c** Analyze the effect of the capital stock, retained earnings, and dividend accounts for a corporation. [BMM.HS.2.3.C](#)

---

- d** Evaluate the impact of data and assess financial statements including ratios to summarize business performance. [BMM.HS.2.3.D](#)

**Demonstrate the skills and competencies needed to be successful and ethical in an accounting-related career.** BMM.HS.2.4

- a Demonstrate both verbal and nonverbal communication skills related to the workplace.** BMM.HS.2.4.A

---

- b Apply analytical, critical thinking, and leadership skills to the workplace.** BMM.HS.2.4.B

---

- c Demonstrate the ability to work in a team by setting goals and accomplishing individual and team tasks on time.** BMM.HS.2.4.C

---

- d Explain a need for a code of ethics in accounting and the ethical responsibilities required of accountants.** BMM.HS.2.4.D

---

- e Demonstrate ethical decision-making skills through business scenarios.** BMM.HS.2.4.E

---

- f Understand the use of information technology in the accounting industry.** BMM.HS.2.4.F