

# LESSON PLAN

(1)WEEK: FIVE (2)DATE: 4th-7th October 2021 (3)CLASS: S.S.S TWO

(4)SUBJECT: FINANCIAL ACCOUNTING

(5)LESSON TITLE: MANUFACTURING ACCOUNT

(6)SUBTITLE (IF ANY): Manufacturing Account, Trading Profit and Loss account with balance sheet

(7)PERIOD: 1st & 2nd (8)DURATION: 80 Minutes

(9) LEARNING OBJECTIVES: By the end of the lesson, the learners should be able to

(1). Prepare Manufacturing Account

(2). Prepare Manufacturing, Trading, Profit or Loss

(3). Prepare Balance Sheet

(10)KEY VOCABULARY WORDS: Raw Materials, Labour, Expenses, finished goods, factory overhead, manufacturing cost, work-in-progress.

(11)RESOURCES & MATERIALS: Simplified and Amplified Financial accounting and book keeping by femi Longe, Web Resources: [www.toppr.com](http://www.toppr.com)

(12)BUILDING BACKGROUND/CONNECTION TO PRIOR KNOWLEDGE:

Learners have prior knowledge on the transformation of raw materials to finished goods or consumables. The Format of Manufacturing Trading Profit and Loss account is known to the Learners.

(13)CONTENT: Preparation of manufacturing account: illustration I: The following shows the figures extracted from the books of Eunice Nig Ltd for the year ended 31st December, 1999.

		₦
<u>Stock of Finished Good:</u>	<u>January 1st</u>	50,640
	<u>December 31st</u>	71,380
<u>Stock of Raw Materials:.</u>	<u>January 1st</u>	32,160
	<u>December 31st</u>	29,640

<u>Purchases of Raw Materials</u>	145,600
<u>Manufacturing Wages</u>	52,860
<u>Factory Insurance</u>	6,538
<u>Direct Expenses</u>	12,500
<u>Depreciation: Factory Equipment</u>	16,500
<u>Stock of Work in Progress:.</u>	
<u>January 1st</u>	17,481
<u>December 31st</u>	13,312
<u>Factory Fuel</u>	43,800
<u>Carriage Inwards on Raw Materials</u>	7,000

You are required to prepare the manufacturing account.

<u>Dr Manufacturing Account for the Year ended 31st December 1999</u>				<u>Cr.</u>
	<u>₦</u>	<u>₦</u>		<u>₦</u>
			<b>Cost of Production</b>	<b>291,487</b>
Opening stock of Raw materials		32,160		
Purchase of RM	145,600			
Carriage inwards	<u>7,000</u>	<u>152,600</u>		
		184,760		
Less: Closing stock		<u>29,640</u>		
<b>Cost of RM consumed</b>		<b>155,120</b>		
Manufacturing wages		52,860		
Direct expenses.		<u>12,500</u>		
<b>Prime cost</b>		<b>220,480</b>		
<b>Factory overhead:</b>				
Factory insurance	6,538			
Dep: Equipment	16,500			
Factory fuel	<u>43,800</u>	<u>66,838</u>		
		287,318		
Add: Opening WIP.		<u>17,481</u>		
		304,799		
Less: Closing WIP		<u>13,312</u>		
<b>Cost of production</b>		<b><u>291,487</u></b>		<b><u>291,487</u></b>

Class Group Work:

Illustration II You are required to prepare the Manufacturing, Trading, Profit and Loss account for the Year ended 31st December 1999.

#### **(14) STRATEGIES & ACTIVITIES:**

**ACTIVITY I:** The teacher uses the chunk and Chew methods to explain manufacturing firm using the internet web page to illustrate how a manufacturing firm looks like.

**ACTIVITY II:** The teacher divides the Learners into three groups for each of them to explains their observations in the operations of a manufacturing firm

**ACTIVITY III:** The learners are given the Reasons for manufacturing account and exposed to The Terminologies used in Manufacturing Account

**ACTIVITY IV:** The Learners are allowed to ask further questions for clarity sake. The teacher asks the Learners to copy their notes.

**(15) ASSESSMENT (EVALUATION):** Explain the following terms and give an example of each

i. Raw materials

ii Direct Labour

iii Direct Expenses

**(16) WRAP-UP (CONCLUSION):** Manufacturing account is necessary to take into records the transformation of raw materials into finished goods for final consumers.\_\_\_\_\_

**(17) ASSIGNMENT:** Draw the Format of Manufacturing Account in your note book.

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**(18) HOD/VP'S COMMENTS & ENDORSEMENT:**\_\_\_\_\_