

Activity for the Generally Accepted Accounting Principles (GAAP)

In a group of 3-4 people you will choose a topic randomly (one of the Generally Accepted Accounting Principles) and complete two tasks: design a poster and perform a skit.

Poster: Must include the name of the principle, explain what the principle means in very simple terms (copying the definition from the text is not acceptable) and give an advantage to having the principle.

Skit: Must include all members of the group, must show the meaning of the principle and show why it is good for business and accounting. The skit must be about 30 seconds in length and you may include an oral summary at the end.

Principles:

The Business Entity Concept

The Continuing Concern Concept (or The Going Concern Concept)

The Principle of Conservatism

The Objectivity Principle

The Revenue Recognition Convention

The Time Period Concept

The Matching Principle

The Cost Principle

The Consistency Principle

The Materiality Principle

The Full Disclosure Principle