A Four-Stage Faded Worked Example for Prepaid Expenses

Contains answers. Give students the one-page student sheet, and keep these notes until they have tried the work.

WHAT IT IS FOR

Students move from a full worked example to solving a supplies adjustment alone, with one less step of help at each stage.

HOW TO RUN IT (ABOUT 10 MINUTES, OUR ESTIMATE)

1. **Check problem (1 minute).** Students try it. Show the answer: $3,000 − $1,200 = $1,800, so Dr Supplies expense $1,800 / Cr Supplies $1,800. Students who got it right go straight to Stage 4. Everyone else starts at Stage 1.
2. **Stages 1 to 3 (5 minutes).** Stage 1 is worked for them. They finish the blanks in Stages 2 and 3.
3. **Stage 4 (3 minutes).** They work alone.
4. **Check (1 minute).** Show the answers below. A student who is wrong at any step goes back to Stage 1 and tries again.

Answers (lecturer only)

Stage	Working	Entry
Check	$300 + $2,700 = $3,000; $3,000 − $1,200 = $1,800	Dr Supplies expense $1,800 / Cr Supplies $1,800
1 (worked)	$7,000 × 0.6 = $4,200 remaining; $7,000 − $4,200 = $2,800	Dr Supplies expense $2,800 / Cr Supplies $2,800
2	Adjustment $5,000 − $1,500 = $3,500	Dr Supplies expense $3,500 / Cr Supplies $3,500
3	$2,500 remaining; adjustment $10,000 − $2,500 = $7,500	Dr Supplies expense $7,500 / Cr Supplies $7,500
4	$600 + $5,400 = $6,000; $6,000 − $2,000 = $4,000	Dr Supplies expense $4,000 / Cr Supplies $4,000

WHAT TO LOOK FOR

- **Wording that changes on purpose.** Stage 4 says “no credit entries” where the earlier stages say “no uses recorded”. Mostyn suggests moderate variability helps students transfer the skill. Check that students read it as the same situation.
- **Students who skip to Stage 4 and get it wrong.** Send them back to Stage 1. Choosing their own starting point is learner control, which Mostyn recommends for mixed-background classes.
- **Stage 3.** Watch for students who stop at the cost remaining ($2,500) and call that the adjustment.

EVIDENCE BASIS

Editorial material. Stage 1’s numbers and its first two steps come from Mostyn’s (2012) illustration. Its steps 3 and 4 are our completion, because Mostyn leaves step 3 for the student. Stages 2 to 4, the variations and the check problem are ours. The timings, steps and notes under “What to look for” are ours, not findings of Mostyn, Young et al. or Halabi et al. None of the three papers tested this exact routine, so adapt it to your own curriculum.

Young et al. (2014) describe novices learning more from worked examples than from solving the equivalent problems, and more advanced learners learning more from problems. They list “worked example followed by completion problems followed by problem solving” as a way to fade guidance. Mostyn (2012) says faded examples should come before problems are assigned and should be reduced as performance improves. In Halabi et al.’s (2005) experiment, students with no prior accounting reported less effort with worked examples than with problem-solving. Test scores did not differ significantly, and students with prior accounting saw no significant difference. That study compared three solved adjustments then five unsolved ones, not step-by-step fading.

Young, J. Q., Van Merrienboer, J., Durning, S., & Ten Cate, O. (2014). *Medical Teacher, 36*(5), 371–384. https://doi.org/10.3109/0142159X.2014.889290

Mostyn, G. R. (2012). *Issues in Accounting Education, 27*(1), 227–245. https://doi.org/10.2308/iace-50099

Halabi, A. K., Tuovinen, J. E., & Farley, A. A. (2005). *Issues in Accounting Education, 20*(1), 21–32. https://doi.org/10.2308/iace.2005.20.1.21