



UNIVERSITY INTERSCHOLASTIC LEAGUE

Accounting

Study Packet 2020

This Accounting packet contains tests and keys from **only** 2020 Invitational A, B and District. Region and State are not available.

This item is intended for High School grade levels.

Contestant # _____

Team # _____

UNIVERSITY INTERSCHOLASTIC LEAGUE
ACCOUNTING EXAM
Invitational 2020-A

Do not turn this page until the start signal is given!

All answers MUST be written on your answer sheet. Either upper case or lower case letters are acceptable. Write legibly. Write letters far enough above the line so that (for example) an "E" can be distinguished from an "F".

For each multiple choice question, write only the identifying letter of the correct answer on your answer sheet.

When an answer contains more than one response, all responses must be correct for the answer to be correct. The correct responses may be listed in any order unless the group instructions say otherwise. An incorrect response among the correct responses will cause your answer to be wrong.

If the answer has zero cents, it is not necessary to write the decimal or the zeroes for cents.

A dollar amount with cents must have two decimal places. A required decimal point must be clearly visible and in the correct position.

Including commas in an amount where appropriate is encouraged. Marking a comma in the wrong position will cause your answer to be marked wrong. Failure to use commas will not make your answer wrong.

When there are no choices of answers given (not a multiple choice) and the answer is zero, write the number "0" or the word "zero."

After the start signal is given, you may remove table pages and any work papers from the staple for convenience. Work papers and the test itself are never reviewed by graders.

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UIL Accounting Invitational 2020-A

Group 1

For items 1 through 9, indicate the location where each is written on a balance sheet in account form illustrated below. Write the correct identifying letter on your answer sheet.

A													
B													
C													
D				I									
E				G				J				O	
								K					P
								L					
								M					Q
F				H				N				R	

- | | |
|---|---|
| <ol style="list-style-type: none"> 1. Words Total Liabilities and Owner's Equity 2. Section heading Owner's Equity 3. Words Total Liabilities 4. Specific date of financial statement 5. Total amount of liabilities | <ol style="list-style-type: none"> 6. Title of each liability 7. Words Total Assets 8. Amount of capital 9. Amount of each asset item |
|---|---|

Group 2

Determine the unknown amount in each of the following independent situations. The amounts in the Beginning and Ending Balance columns represent normal balances. Answer questions 10 through 12 by writing the correct amount on your answer sheet.

Account	Beginning Balance	Ending Balance	Other Information
Accounts Receivable	39,416	46,019	Received on account \$27,684
Prepaid Insurance	2,384	2,544	Premiums paid during the period \$3,816
Owner's Capital	64,389	76,182	Owner's withdrawals \$20,000

10. What amount of insurance premiums expired during the period?
11. What amount was sold on account to customers during the period?
12. What amount did the owner invest in the business during the period if net loss for the period was \$3,207?

Group 3

The following account titles are found in the chart of accounts of Brewster Engineering Services. Questions 13 through 20 consist of the closing entries for the year ended December 31, 2019. Indicate the account(s) to be debited and credited in each closing entry by using the identifying letters. (When an answer consists of multiple accounts, the identifying letters may be listed in any order, but all correct letters must be written for the answer to be correct. The inclusion of an incorrect account will cause the answer to be wrong.)

A	Cash in Bank	I	Dion Brewster, Drawing
B	Accounts Receivable	J	Income Summary
C	Office Supplies	K	Fees Income
D	Prepaid Insurance	L	Rent Expense
E	Equipment	M	Utilities Expense
F	Vehicles	N	Supplies Expense
G	Accounts Payable	O	Insurance Expense
H	Dion Brewster, Capital		

	DEBIT	CREDIT
Record the closing entry for the revenue account(s)	13.	14.
Record the closing entry for the expense account(s)	15.	16.
Record the closing entry for net income	17.	18.
Record the closing entry for the owner's drawing	19.	20.

Group 4

For items 21 through 24, write the correct amount on your answer sheet. None of the owners invested additional capital in their respective businesses during the time period shown.

Company Name	Ending Amt. of Assets	Ending Amt. of Liabilities	Beginning Amt. of Owner's Equity	Withdrawals for the period	Revenue for the period	Expenses for the period
Salt Co.	94,163	9,324	86,295	-0-	Q#21	74,697
Pepper Co.	63,379	11,624	Q#22	8,500	92,378	82,576
Garlic Co.	*Q#23	27,610	89,320	5,000	94,320	*Q#24
Garlic Company's total owner's equity after closing net income but before closing withdrawals is \$97,256.						

Group 5

Some amounts are omitted in each of the following financial statements:

**Income Statement
For the Year Ended December 31, 2019**

	Monica Company	Joey Company	Chandler Company
Revenues	96,050	(e)	(h)
Expenses	72,964	42,811	57,960

**Statement of Changes in Owner's Equity
For the Year Ended December 31, 2019**

	Monica Company	Joey Company	Chandler Company
Capital, January 1	(a)	75,500	23,495
Additional Capital Investment	25,000	15,000	(i)
Net Income <Loss>	(b)	45,182	<6,280>
Drawing	10,000	(f)	1,000
Capital, Dec. 31	(c)	105,682	?

**Balance Sheet
December 31, 2019**

	Monica Company	Joey Company	Chandler Company
Total assets	(d)	142,627	54,645
Total liabilities	32,419	(g)	18,430
Total owner's equity	127,720	?	?

Determine the missing amounts for items "a" through "i" shown above and that correspond to questions 25 through 33 below. Write the correct amount for each on your answer sheet. A net loss must be indicated by brackets or parentheses. (Question marks above indicate an unknown, but are not questions to be answered below.)

- *25. Item a
- 26. Item b
- 27. Item c
- 28. Item d
- 29. Item e
- 30. Item f
- 31. Item g
- 32. Item h
- 33. Item i

Group 6

Jethro Company prepares adjusting and closing entries only at the end of the fiscal year which is December 31.

The information needed to prepare the trial balance for Jethro Company as of 12-31-19 (before adjusting entries) follows in the chart below. All accounts have normal balances. Total expenses are grouped together for simplicity. The owner made one capital contribution during the year 2019 in the amount of \$9,000.

Ending inventory on 12-31-19 is \$20,980. For items 34 through 44, write the correct amount on your answer sheet.

Cash	8,295	Sales Discounts	2,435
Accounts Receivable	2,480	Sales Returns & Allowances	1,968
Inventory	18,475	Purchases	58,698
Accounts Payable	3,655	Transportation In	4,849
Ed Jethro, Capital	?	Purchases Discounts	3,704
Ed Jethro, Drawing	20,000	Purchases Returns & Allow.	1,250
Sales	102,803	Total Expenses	20,405

- *34. The amount of capital in the general ledger on 1-1-19 before any 2019 transactions is \$_____.
35. Total debits on the trial balance are \$_____.
36. Cost of Delivered Merchandise is \$_____.
37. Net Purchases is equal to \$_____.
38. Cost of Merchandise Sold is \$_____.
39. Net Sales are \$_____.
40. Cost of Merchandise Available for Sale is \$_____.
41. Gross Profit is \$_____.
- *42. Net Income is \$_____.
- *43. The amount of capital on the Post-Closing Trial Balance dated 12-31-19 is \$_____.
- *44. Total assets on the Balance Sheet dated 12-31-19 are \$_____.

Group 7

For questions 45 through 56, refer to the document below and write the identifying letter of the best response on your answer sheet.

No. 3975 \$ <u>615.00</u>		A+ Plumbing		No. 3975
Date <u>January 7, 2020</u>		6054 Dayton Avenue		
To <u>Ronco Supply Co.</u>		Palace, TX 74747		<u>January 7, 2020</u>
For <u>supplies</u>		Pay to the Order of Ronco Supply Co.		\$615.00
Bal Brought Fwd	<u>7,245.00</u>	Six hundred fifteen and no/100		DOLLARS
Deposits <u>Jan. 6</u>	<u>2,445.00</u>	First State Bank		
Total	<u>9,690.00</u>	Palace, Texas		
This Check	<u>615.00</u>	For <u>Invoice # 37436</u>		<u>Bubba Adams</u>
Bal to Carry Fwd	<u>9,075.00</u>	::111777777: 11333 38 3975		

45. The payee is

A. First State Bank	C. A+ Plumbing
B. Bubba Adams	D. Ronco Supply Co

46. The drawer is

A. First State Bank	C. A+ Plumbing
B. Bubba Adams	D. Ronco Supply Co

47. The drawee is

A. First State Bank	C. A+ Plumbing
B. Bubba Adams	D. Ronco Supply Co

48. When Ronco Supply Co. prepares a deposit slip, this check from A+ Plumbing will be endorsed using a stamp that states "For Deposit Only, Ronco Supply Co." This type of endorsement is called a

A. special endorsement	C. restrictive endorsement
B. limiting endorsement	D. restraining endorsement

49. The check stub balance immediately after check #3974 was written was

A. zero	C. \$2,445	E. \$9,075
B. \$615	D. \$7,245	F. \$9,690

50. Checks should be

A. typewritten	D. written in pencil
B. written in ink	E. any of the choices A, B, C, or D
C. computer-generated	F. any of the choices A, B, or C

51. When writing a check for payment, which of the following should be prepared first?

A. the check stub	C. the check
B. the check endorsement	D. the bank reconciliation

Group 7 continued

52. Only authorized persons may sign a check. An authorized person is the person(s) who
- A. the bank personnel designate for each account.
 - B. signed the signature card for the account when the account was opened.
 - C. is selected by the FDIC.
 - D. is listed on the company's website.
53. A system that allows banks to transfer funds among accounts quickly and accurately without the exchange of checks is called
- A. Paperless Monetary Exchange System
 - B. Internet Funds Exchange System
 - C. Electronic Funds Transfer System
 - D. E-bank Money Transport System
54. In an effort to protect a check from alteration some businesses prepare checks using a check-writing machine which ___?___ the amount of the check in words on the Dollars line.
- A. endorses
 - B. paints a hologram of
 - C. uses a special dye to encrypt
 - D. perforates
55. Which of the following statements about a voided check is false?
- A. If an error is made while writing a check, that check is not used.
 - B. Corrected checks look suspicious to banks, so the incorrect check is voided and a new check is prepared.
 - C. A voided check may be placed in a special file or it may be folded and stapled to the check stub.
 - D. A voided check should have the word "canceled" printed on the face of the check in large letters.
56. Determining that the balance shown in the checkbook agrees to the balance of the Cash In Bank account is called
- A. proving the ledger
 - B. the Schedule of Cash
 - C. a bank reconciliation
 - D. proving cash
 - E. reconciling petty cash

Group 8

For each of the following errors (Errors A through E), you are to calculate the amount the error will cause the trial balance to be out of balance. If the trial balance is in balance with that error, the difference is zero. Write the correct amount on your answer sheet. Question numbers are in the chart below under the column heading of "Amount Out of Balance."

Also for Errors A through E you are to indicate which trial balance column will have the larger total as a result of the error. Question numbers are in the chart below under the column heading of "Column Having Larger Total." Use the following code: DR=debit CR=credit N=neither

Each error is independent of the others. Assume that the only error made in each case is the error listed. (For example, in Error A, the \$100 debit portion of the transaction was handled correctly.)

Error	Amount Out of Balance	Column Having Larger Total
A.	#57	#58
B.	#59	#60
C.	#61	#62
D.	#63	#64
E.	#65	#66

Error A: The \$100 credit to Cash was credited to the Cash account twice.

Error B: The \$1,900 credit to Sales was posted as a \$19,000 credit.

Error C: The \$5,000 debit to Office Supplies was debited to Office Equipment.

Error D: The \$625 debit to Prepaid Insurance was posted as a \$6,250 debit.

Error E: The \$250 credit to Accounts Payable was not posted.

Group 9

Refer to Table 1 on page 9 and the work sheet on page 11. (Please note that page 10 is intentionally blank.) For questions 67 through 80, write the correct amount on your answer sheet. These questions refer to the properly completed work sheet.

What was the balance in each of the following accounts in the unadjusted trial balance?

- 67. Prepaid Insurance
- 68. Supplies on Hand
- 69. Accounts Payable
- 70. Bea Strong, Capital
- 71. Bea Strong, Drawing

What was the balance in each of the following accounts in the adjusted trial balance?

- 72. Supplies on Hand
- 73. Prepaid Insurance
- 74. Supplies Expense
- *75. Insurance Expense
- **76. Revenue
- *77. Cash in Bank

Continue to refer to Table 1. Write the correct amount on your answer sheet.

- *78. What was the balance of Prepaid Insurance in the general ledger on 1-1-19?
- 79. What is the amount of net income for the year 2019?
- **80. What is the balance of Bea Strong, Capital on the Post-Closing Trial Balance dated December 31, 2019?

This is the end of the exam. Please hold your answer sheet and test until the contest director asks for them. Thank you!

TABLE 1
(for questions 67 through 80)

Bea Strong is the sole owner of Strong Athletic Trainers. The selected amounts that appear on the work sheet on page 10 are accurate.

Acquisitions of office supplies and insurance are properly recorded in their respective asset accounts. Adjusting and closing entries are prepared only at the end of the fiscal year, which is December 31.

All adjusting entries made in prior years were prepared correctly.

Additional Information:

- **Supplies on Hand:**
 Inventory on January 1, 2019.....\$ 3,215
 Purchased during 2019..... 8,374
 Inventory on December 31, 2019..... 2,890
- **Insurance information:**
 paid by check \$3,960 on May 1, 2018 for a 12-month policy
 paid by check \$4,140 on May 1, 2019 for a 12-month policy
- **Bea Strong, Capital:**
 General Ledger balance January 1, 2019 \$200,043
 owner capital contribution March 8, 2019 \$15,000
- **Cash withdrawals by owner for personal use were equal payments of \$2,800 per month during 2019.**
- **Bea purchased fitness equipment from Fitness Giant for \$294,830 on January 4, 2016. This is the only fitness equipment that Bea's company owns.**
- **Fitness Giant allows Bea to pay for the fitness equipment in equal installments over five years. Bea made the first annual payment on January 4, 2016, and Bea has made each January 4th annual payment since then on time. Fitness Giant does not charge Bea any interest on the unpaid balance. Bea does not owe any other vendor besides Fitness Giant.**

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**UIL ACCOUNTING—Invitational 2020-A
KEY**

Group 1	
1	N
2	L
3	K
4	C
5	P
6	J
7	F
8	Q
9	G

Group 2	
10	\$ 3,656
11	\$ 34,287
12	\$ 35,000

Group 3	
13	K
14	J
15	J
16	L M N O
17	J
18	H
19	H
20	I

Group 4	
21	\$ 73,241
22	\$ 50,453
*23	\$ 119,866
*24	\$ 86,384

Group 5	
*25	\$ 89,634
26	\$ 23,086
27	\$ 127,720
28	\$ 160,139
29	\$ 87,993
30	\$ 30,000
31	\$ 36,945
*32	\$ 51,680
33	\$ 20,000

Group 6	
*34	\$ 17,193
35	\$ 137,605
36	\$ 63,547
37	\$ 58,593
38	\$ 56,088
39	\$ 98,400
40	\$ 77,068
41	\$ 42,312
*42	\$ 21,907

Group 6 cont.	
*43	\$ 28,100
**44	\$ 31,755

Group 7	
45	D
46	B
47	A
48	C
49	D
50	F
51	A
52	B
53	C
54	D
55	D
56	D

Group 8	
57	\$ 100
58	CR
59	\$ 17,100
60	CR
61	\$ 0 or zero
62	N
63	\$ 5,625
64	DR

Group 8 cont.	
65	\$ 250
66	DR

Group 9	
*67	\$ 5,460
68	\$ 11,589
*69	\$ 58,966
70	\$ 215,043
71	\$ 33,600
72	\$ 2,890
*73	\$ 1,380
74	\$ 8,699
*75	\$ 4,080
**76	\$ 98,430
*77	\$ 4,865
*78	\$ 1,320
*79	\$ 67,506
**80	\$ 248,949

Contestant # _____

Team # _____

UNIVERSITY INTERSCHOLASTIC LEAGUE
ACCOUNTING EXAM
Invitational 2020-B

Do not turn this page until the start signal is given!

All answers MUST be written on your answer sheet. Either upper case or lower case letters are acceptable. Write legibly. Write letters far enough above the line so that (for example) an “E” can be distinguished from an “F”.

Acceptable responses (and not case sensitive) for the following are:

Debit	=	DR
Credit	=	CR

To help the graders, please do NOT spell out the words Debit and Credit. If you do spell out the correct word, it will NOT be counted as incorrect. Again, please help the graders and only write DR or CR.

For each multiple-choice question, write only the identifying letter of the correct answer on your answer sheet.

When an answer contains more than one response, all responses must be correct for the answer to be correct. The correct responses may be listed in any order unless the group instructions say otherwise. An incorrect response among the correct responses will cause your answer to be wrong.

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UIL Accounting Invitational 2020-B

Group 1

Questions 1 through 7 are transactions that took place in January for a business called Acorn's Tree Service. Acorn records all supplies and insurance in respective asset accounts and makes adjusting entries monthly. Use the following code (letters A through E below) to describe each transaction by writing the identifying letter of the best response on your answer sheet.

A	increases an asset and decreases an asset
B	increases an asset and increases a liability
C	increases an asset and increases owner's equity
D	decreases an asset and decreases a liability
E	decreases an asset and decreases owner's equity

1. Acorn deposited \$10,000 into the business account (these funds came from the owner's personal savings account)
2. Bought extension chain saw by writing a check (this is equipment that should last two years)
3. Bought chain saw oil and other supplies on account (these supplies should last several months)
4. Performed a tree removal service and billed the customer for \$500 with payment due in ten days
5. Paid a supplier on account
6. The owner wrote a check for cash to use personally
7. Cleared all trees from a lot so that an office building could be constructed.
Received a check on the day the service was completed for \$5,500

Group 2

The balance in the Supplies account on January 1 was \$4,455. During the year supplies were purchased as follows: \$2,684, \$3,907, \$2,629, and \$488. A physical inventory taken on December 31 totaled \$4,950.

Use the information above to answer questions 8 through 11. Write the identifying letter of the best response on your answer sheet.

8. What amount should appear in the work sheet's unadjusted trial balance column for the account called Supplies?
A. zero B. \$4,455 C. \$4,950 D. \$9,213 E. \$9,708 F. \$14,163
9. What amount should appear in the work sheet's unadjusted trial balance column for the account called Supplies Expense?
A. zero B. \$4,455 C. \$4,950 D. \$9,213 E. \$9,708 F. \$14,163
- *10. What amount should appear in the work sheet's adjustment columns to indicate the supplies usage for the period?
A. zero B. \$4,455 C. \$4,950 D. \$9,213 E. \$9,708 F. \$14,163
11. What amount should appear in the work sheet's balance sheet column for the account called Supplies?
A. zero B. \$4,455 C. \$4,950 D. \$9,213 E. \$9,708 F. \$14,163

Group 3

From the list of terms, select the one that best relates to each statement (items 12 through 20). Each term (if used) is used only once. Write the identifying letter of the correct term on your answer sheet.

A	cash-in journal
B	cash-out journal
C	cash payments journal
D	cash receipts journal
E	cost of merchandise available for sale
F	cost of merchandise sold
G	final seller
H	general journal
I	gross profit
J	initial profit before expenses
K	initial seller
L	inventory journal

M	merchandise inventory
N	miscellaneous journal
O	owner's equity
P	purchases
Q	purchases journal
R	retailer
S	sales
T	sales journal
U	special journals
V	stocker
W	subsidiary journals
X	wholesaler

12. The special journal used to record sales of merchandise on account.
13. When a business uses the periodic inventory method and buys new goods to replace those sold to customers, the account debited for the cost of the new merchandise is ? .
14. The accounting term for a business that sells to the final consumer.
15. The actual cost to the business of the merchandise sold to customers.
16. The journal used to record transactions that are not recorded in a special journal.
17. The special journal used to record purchases of merchandise on account.
18. The accounting term for the difference between revenue earned from sales and the total cost of merchandise sold.
19. Beginning inventory plus net purchases.
20. Items of merchandise that the business has in stock.

Group 4

For questions 21 through 26 write the identifying letter of the account to be debited or credited in each of the following situations:

A	Cash in Bank
B	Petty Cash Fund
C	Postage Expense

D	Miscellaneous Expense
E	Cash Short and Over
F	Petty Cash Expense

	Debit	Credit
To establish the petty cash fund	#21	#22
To replenish the petty cash fund when all vouchers were for postage stamps	#23	#24
To increase the petty cash fund	#25	#26

Group 5

The information in the table below is for a sole proprietorship and is obtained from the Income Statement columns of the work sheet for the twelve months ended December 31, 2019. All accounts have normal balances and are listed in random order.

Merchandise Inventory on January 1, 2019 was \$24,790. During the year 2019 the owner withdrew \$7,000 and also made one additional investment of \$10,620. The Statement of Changes in Owner’s Equity for the twelve months ended 12-31-19 showed an ending balance of \$88,817.

Income Summary	1,955 DR	Insurance Expense	3,790
Purchases Ret. & Allow.	2,400	Rent Expense	10,200
Net Sales	96,435	Transportation In	3,875
Utilities Expense	3,380	Supplies Expense	2,810
Purchases Discounts	1,655	Purchases	54,158

For questions 27 through 34 write the correct amount on your answer sheet.

What is the correct amount of:

- 27. cost of delivered merchandise
- 28. cost of merchandise sold
- 29. cost of merchandise available for sale
- 30. net purchases
- 31. gross profit
- 32. net income
- *33. the owner’s capital account balance in the Trial Balance column of the work sheet for the twelve months ended 12-31-19?
- *34. the owner’s capital account balance on the prior year’s Post-Closing Trial Balance dated December 31, 2018?

Group 6

The following employees of Fancy’s Yogurt are paid an hourly wage plus overtime at a rate of 1½ times the regular rate of pay for hours worked over 40 in a week. The company is closed on weekends and there was not a national or company holiday this week.

Employee	Hourly Wage	Mon	Tues	Wed	Thur	Fri
Cookie Manster	12.50	7.5	8	9.5	11	6
Vanilla Price	8.00	9.5	8	8	13	6
Patty Peppermint	10.50	8.5	10	9.5	12	11
Rich Chocolate	14.00	8	9	11	6.5	4

For question #35, write the correct amount on your answer sheet.

- *35. What is the total gross pay for all of the employees for the week?

Group 7

Brinkman Security Service pays its employees an hourly wage plus overtime at 1½ times the regular rate for all hours worked over 8 on a standard weekday (Monday through Friday). As an incentive to work on Saturdays, Sundays, and holidays, Brinkman pays double the regular rate of pay for ALL hours worked on these days.

Thursday, November 28, 2019 is celebrated nationally as a holiday (Thanksgiving Day), but Brinkman does not close. Employees draw rocks to see who will work on the holiday and who will get to spend time with their families. Jason got the unwanted rock, but his family brought turkey dinner to him at work.

Shown in the chart are the hours worked by Jason Strongarm during the week ending December 1, 2019. His regular rate of pay is \$16 per hour.

Day	Total Hours Worked
Monday, Nov. 25, 2019	11.5
Tuesday, Nov. 26, 2019	9.5
Wednesday, Nov. 27, 2019	7
Thursday, Nov. 28, 2019	8.5
Friday, Nov. 29, 2019	5
Saturday, Nov. 30, 2019	10
Sunday, Dec. 1, 2019	4.5
Total for Week	56

For questions 36 through 39, write the correct amount on your answer sheet.

36. How many regular hours did Jason work?
 37. How many hours will Jason be paid at time and a half?
 38. How many hours will Jason be paid at double his regular rate of pay?
 *39. What is the amount of Jason's total gross pay?

Group 8

It is company policy to record any necessary journal entries and to update the checkbook balance after the bank reconciliation is completed. The company does not know the amount of any bank charges until the bank statement is received.

**Data: Bank Service Charge for December is \$18.25
 Deposits in transit on December 31 are \$1,618.42 and \$1,664.98
 Reconciled bank balance on December 31 is \$2,695.30
 Outstanding checks on December 31 are \$414.20, \$875.16 and \$3,435.54**

For questions 40 and 41, write the correct amount on your answer sheet.

- *40. Given the above facts, what was the amount that was printed on the bank statement as the closing balance for December?
 41. What was the balance in the cash account in the accounting records prior to reconciling the bank statement for December?

Group 9

Brittany Jester began a food catering business on December 1, 2019. The company prepares closing entries only at the end of the fiscal year, which is December 31. (Consider that there is no food ingredient inventory remaining on December 31.) Brittany completed the following transactions during December:

- (1) Invested \$10,000 in cash in her business.
- (2) Brittany transferred personal computer equipment to her business that has a value of \$3,500.
- (3) Paid the rent on shopping center space for December by writing a check \$375.
- (4) Purchased equipment for \$10,900: paid \$1,000 cash down by writing a check and \$9,900 on credit from a vendor called Texas Appliance.
- (5) Purchased food ingredients for a catering job for Bismark Co. from a vendor called *Mobile Food* on credit \$475.
- (6) Completed the Bismark catering job and billed client for \$1,800.
- (7) Received a deposit in advance of a catering job of \$1,500 from Atlantex Co.
- (8) Purchased food ingredients from *Mobile Food* for the catering job for Atlantex Co. by writing a check for \$960.
- (9) Completed the Atlantex catering job and received the final payment of \$2,200 from the customer.
- (10) Paid the utilities for December by writing a check \$215.
- (11) Withdrew \$1,000 for personal living expenses.
- (12) Collected \$750 on account from Bismark Co.
- (13) Paid by check the full amount owed to the vendor *Mobile Food*.
- (14) Paid \$1,500 to Texas Appliance on account.

For questions 42 through 46, write the correct amount on your answer sheet. Consider that any necessary adjusting journal entries have been journalized and posted correctly. Consider each question as of the last day of the fiscal year 2019 after all closing entries.

- *42. What is the balance in the Cash in Bank account?
43. What is the balance in Accounts Receivable?
44. What is the balance in the controlling account for Accounts Payable?
45. What is net income for December?
- *46. What is the balance of the owner's capital account?

Group 10

One Stop Computing is a company that specializes in three main computer services: 1) programming; 2) computer repairs; and 3) onsite maintenance.

One Stop Computing uses the following policy when closing the temporary accounts at the end of the fiscal year:

First, close all revenue accounts in one combined entry.

Second, close all expense accounts in one combined entry.

Third, close the Income Summary account.

Fourth, close the owner's drawing account.

The adjusted trial balance data for One Stop Computing for the calendar year 2019 follows. All accounts have normal balances. Ed Diamond invested \$10,000 in cash in his business during 2019.

Cash in Bank	5,695	Repairs Income	36,540
Accounts Receivable	2,860	Onsite Mtce Income	28,685
Supplies	3,950	Rent Expense	8,220
Prepaid Insurance	615	Utilities Expense	2,370
Office Equipment	8,460	Supplies Expense	29,640
Computer Equipment	15,985	Insurance Expense	2,585
Accounts Payable	2,650	Equip Repairs Expense	8,850
Ed Diamond, Capital	30,705	Advertising Expense	1,500
Ed Diamond, Drawing	40,000	Postage Expense	480
Programming Income	32,960	Miscellaneous Expense	330

For questions 47 through 51, write the correct amount on your answer sheet.

*47. What was the balance of Ed Diamond, Capital on 1-1-19?

48. What was the amount that affected Income Summary in the first closing entry?

49. What was the amount that affected Income Summary in the second closing entry?

*50. What was the amount of the third closing entry?

*51. What was the balance of Ed Diamond, Capital on 12-31-19 after all closing entries were posted?

Group 11

Three customers owed a total of \$94,862 to a business called Santa Company as of November 30, 2019 and one of these customers was Rudolph Company that owed \$36,945. On December 31, 2019 the balance of Santa’s controlling account for Accounts Receivable had increased by \$4,965 since the beginning of the month.

**From Santa’s
General Ledger:**

Accounts Receivable

(12-1-19)		
(Dec 2019)	_____	_____ (Dec 2019)
(12-31-19)		

Santa’s Accounts Receivable Subsidiary Ledger:

Dancer Company	Debit	Credit	Balance
12-1-19			
Dec 2019	18,060	20,039	

Comet Company	Debit	Credit	Balance
12-1-19			32,478
Dec 2019		31,878	27,085

Rudolph Company	Debit	Credit	Balance
12-1-19			
Dec 2019		27,513	49,282

For questions 52 through 54 write the correct amount on your answer sheet.

52. What is the total amount of charges made by all three customers in December?

*53. What is the balance of Dancer Company account on 12-1-19?

54. What amount was sold on account to Rudolph Company during December?

Group 12

The December 31, 2019 Post-Closing Trial Balance for the Sims Company follows. The company's January 2020 special journals are shown in Table 1 on page 11. Answer questions 55 through 61 using the code: DR=debit CR=credit

**Sims Company
Post-Closing Trial Balance
December 31, 2019**

Account	Debit	Credit
Cash	6,375	
Accounts Receivable, Customer A	4,980	
Merchandise Inventory	18,750	
Computer Equipment	5,000	
Accounts Payable, Company Two		7,260
Jacob Sims, Capital		27,845
Totals	35,105	35,105

55. The total of the sales journal is posted to the Accounts Receivable account as a ?
 56. The total of the purchases journal is posted to the Accounts Payable account as a ?
 57. In the Sales Journal, the amount \$1,150 is posted to Customer B as a ?
 58. In the cash receipts journal, the amount \$131 is posted as a ?
 59. In the cash receipts journal, the amount \$2,010 is posted to Customer A as a ?
 60. In the cash payments journal, the amount \$242 is posted as a ?
 61. In the cash payments journal in the Other Accounts column, the amount \$1,200 is posted as a ?

Continue to use the data in Table 1. Assume that all transactions have been posted to the ledgers correctly.

For question 64, write the correct percentage (not a decimal) on your answer sheet. If it is necessary, round the percentage to the nearest whole percent.

For questions 62, 63, 65 and 66, write the correct amount on your answer sheet.

- *62. What amount does Customer C owe to Sims Company on 1-31-20?
 63. What amount does Sims Company owe Company Two on 1-31-20?
 64. What is the discount percentage taken when Sims Company paid Company Three?
 *65. Before the bank reconciliation is prepared, what is the balance in the Cash account on 1-31-20?
 *66. The Accounts Receivable Subsidiary Ledger is determined to be in agreement with the associated controlling account. What is the balance in this controlling account on 1-31-20?

Group 13

Use the following information for questions 67 and 68. Write the correct amount on your answer sheet. Payroll tax expense per employee is based on the following:

Social Security	6.2% on gross earnings up to \$132,900
Medicare	1.45% on all earnings
Federal Unemployment Tax	.6% on first \$7,000 of gross earnings
State Unemployment Tax	2.1% on first \$9,000 of gross earnings

- *67. Skipper, an employee, has cumulative gross wages of \$6,375 in the first quarter. In the second quarter, if the current gross wages are \$2,460, what is the total amount of employer's payroll tax expense on Skipper's earnings for the second quarter only?
- *68. Gilligan, an employee, has cumulative gross wages of \$6,790 in the first quarter. In the second quarter, if current gross wages are \$2,440, what is the total amount of employer's payroll tax expense on Gilligan's earnings for the second quarter only?

Group 14

Refer to Table 2 on page 12. Assume that an accountant has prepared the correct work sheet for the month ending January 31, 2020.

For questions 69 through 74, write the identifying letter of the best response on your answer sheet.

69. The first line of the heading for the work sheet includes
 A. the words "Work Sheet"
 B. the name of the business
 C. the date of the report
70. The third line of the heading for the work sheet includes
 A. a specific date or point in time
 B. a date that describes a period of time
71. If the business opened a bank savings account, which would be an appropriate account number to assign to the new account?
 A. 103 B. 118 C. 205 D. 304
- *72. The Trial Balance section of the work sheet
 A. is in balance with balancing totals of \$85,956
 B. is not in balance with a difference of \$10,546
 C. is in balance with balancing totals of \$80,556
 D. is in balance with balancing totals of \$89,556
 E. will never balance since the amount in Income Summary is unknown

Group 14 continued

73. If the ending balances of Rent Expense and Utilities Expense were accidentally switched when transferred to the work sheet, it would have the following effect on the Trial Balance
- A. The trial balance would be out of balance by \$277
 - B. The trial balance would be out of balance by \$563
 - C. This error alone would not cause the trial balance to be out of balance
74. Which of the following statements is true?
- A. In order to determine the total amount of personal assets contributed to the business by the owner, one must analyze the credits made to the owner’s capital account since the account was opened three years ago.
 - B. In order to determine the total amount of personal assets contributed to the business by the owner, one must analyze the debits made to the owner’s capital account since the account was opened three years ago.
 - C. Dave Mills contributed personal assets of \$61,414 to the business since it began three years ago.

Continue to refer to Table 2. The following chart represents the bottom three lines of selected columns on the completed work sheet: subtotals before net income or net loss is calculated; the line for net income or net loss; and the line for the respective balancing totals for the income statement columns and the balance sheet columns.

For each of the questions 75 through 78 (found in the chart below), write the correct amount on your answer sheet.

	Income Statement		Balance Sheet	
	Debit	Credit	Debit	Credit
Subtotals	#75	#76	#77	#78
Net Income or <Net Loss>	Red	Blue	Green	Yellow
Totals				

For questions 79 and 80, write the identifying letter of the best response on your answer sheet.

- *79. What is the amount of net income or net loss for the month?
- A. \$7,046
 - B. \$10,546
 - C. \$12,967
 - D. \$16,467
 - E. \$22,388
- *80. After the net income or net loss is calculated, indicate in which columns of the work sheet the amount would appear in the chart above using colors as indicators.
- A. Blue Green
 - B. Blue Yellow
 - C. Red Yellow
 - D. Red Green

This is the end of the exam. Please hold your exam and answer sheet until the contest director calls for them. Thank you.

TABLE 1
(for questions 55 through 66)

Sales Journal		Purchases Journal	
Account	Amount	Account	Amount
Customer A	5,400	Company One	8,000
Customer B	1,150	Company Two	6,200
Customer C	12,780	Company Three	4,950
Total	19,330	Total	19,150

General Journal		
Sales Returns & Allowances	750	
Accounts Receivable—Customer C		750
Accounts Payable—Company Three	850	
Purchases Returns & Allowances		850

Cash Receipts Journal					
Account	Other Accounts	Accounts Receivable	Sales	Sales Discounts	Cash
Customer B		1,150		23	1,127
Cash sales			11,210		11,210
Computer Equipment	2,000				2,000
Cash sales			12,410		12,410
Customer A		2,010			2,010
Customer A		5,400		108	5,292
Totals	2,000	8,560	23,620	131	34,049

Cash Payments Journal				
Account	Other Accounts	Accounts Payable	Purchases Discounts	Cash
Prepaid Insurance	1,200			1,200
Company One		8,000	160	7,840
Company Three		4,100	82	4,018
Store Equipment	1,380			1,380
Totals	2,580	12,100	242	14,438

Table 2
(for questions 69 through 80)

Below are listed the account balances taken from the general ledger after all January transactions have been journalized and posted for the month ended January 31, 2020. The business began operations three years ago. All accounts below have normal balances. It is determined by the accountant that no adjusting entries are required on January 31, 2020. It is company policy to close the accounts only at the end of the fiscal year, which is December 31.

Acct No.	Account Name	Balance
101	Cash in Bank	2,590
105	Accts. Receivable	1,400
110	Landscaping Equip.	10,870
112	Office Equip.	2,435
115	Trucks	62,840
201	Accts. Payable	11,675
301	Dave Mills, Capital	61,414
302	Dave Mills, Withdrawals	3,500

Acct No.	Account Name	Balance
303	Income Summary	
401	Landscaping Income	16,467
501	Advertising Expense	850
505	Maintenance Expense	1,360
510	Gasoline & Oil Expense	3,148
540	Rent Expense	420
545	Utilities Expense	143

**UIL ACCOUNTING—Invitational 2020-B
KEY**

Group 1	
1	C
2	A
3	B
4	C
5	D
6	E
7	C

Group 2	
8	F
9	A
*10	D
11	C

Group 3	
12	T
13	P
14	R
15	F
16	H
17	Q
18	I
19	E
20	M

Group 4	
21	B
22	A
23	C
24	A
25	B
26	A

Group 5	
27	\$ 58,033
28	\$ 55,933
29	\$ 78,768
30	\$ 53,978
31	\$ 40,502
32	\$ 20,322
*33	\$ 75,495
*34	\$ 64,875

Group 6	
*35	\$ 2,043.75

Group 7	
36	28
37	5
38	23
*39	\$ 1,304

Group 8	
*40	\$ 4,136.80
41	\$ 2,713.55

Group 9	
*42	\$ 8,925
43	\$ 1,050
44	\$ 8,400
45	\$ 3,475
*46	\$ 15,975

Group 10	
*47	\$ 20,705
48	\$ 98,185
49	\$ 53,975
*50	\$ 44,210
*51	\$ 34,915

Group 11	
52	\$ 84,395
*53	\$ 25,439
54	\$ 39,850

Group 12	
55	DR
56	CR
57	DR
58	DR
59	CR

Group 12 cont.	
60	CR
61	DR
*62	\$ 12,030
63	\$ 13,460
64	2 %
*65	\$ 25,986
*66	\$ 15,000

Group 13	
*67	\$ 243.60
*68	\$ 234.33

Group 14	
69	B
70	B
71	A
*72	D
73	C
74	A
75	\$ 5,921
76	\$ 16,467
77	\$ 83,635
78	\$ 73,089
*79	B
*80	C

Contestant # _____

UNIVERSITY INTERSCHOLASTIC LEAGUE
ACCOUNTING EXAM
District 2020-D

Do not turn this page until the start signal is given!

All answers MUST be written on your answer sheet. Either upper case or lower case letters are acceptable. Write legibly. Write letters far enough above the line so that (for example) an “E” can be distinguished from an “F”.

Carefully read the instructions for each group of questions and pay particular attention to instructions regarding the required format of answers.

For each multiple-choice question, write only the identifying letter of the correct answer on your answer sheet.

When an answer contains more than one response, all responses must be correct for the answer to be correct. The correct responses may be listed in any order unless the group instructions say otherwise. An incorrect response among the correct responses will cause your answer to be wrong.

If the answer has zero cents, it is not necessary to write the decimal or the zeroes for cents.

A dollar amount with cents must have two decimal places. A required decimal point must be clearly visible and in the correct position.

Including commas in an amount where appropriate is encouraged. **Marking a comma in the wrong position will cause your answer to be marked wrong.** Failure to use commas will not make your answer wrong.

When there are no choices of answers given (not a multiple choice) and the answer is zero, write the number “0” or the word “zero.”

After the start signal is given, you may remove table pages and any work papers from the staple for convenience. Work papers and the test itself are never reviewed by graders.

UIL Accounting District 2020-D

Group 1

Write the correct identifying letter(s) (DR or CR or P or NA) on your answer sheet for items 1 through 10. (There are NO other acceptable formats. For example, do NOT spell out the words debit and credit. Instead, use the code exactly as shown in the chart below.)

The company does not use the perpetual inventory method. Consider that all accounts have normal balances.

DR = this account is closed with a debit
CR = this account is closed with a credit
P = this is a permanent account and is not closed during the closing process
NA = this is the description of a subtotal on a financial statement

- | | |
|--|-------------------------|
| 1. Purchases Discounts | 7. Prepaid Insurance |
| 2. Sales Returns and Allowances | 8. Joey Bishop, Capital |
| 3. Supplies Expense | 9. Transportation In |
| 4. Cost of Merchandise Available for Sale | 10. Net Sales |
| 5. Sales Tax Payable | |
| 6. Income Summary (total debits are larger than credits in this account) | |

Group 2

An individual started a new business on May 1, 2016. At that time the individual invested his personal life savings in the business. In 2016 revenues were \$82,416 expenses were \$96,743, and there were no owner withdrawals.

In 2017 the owner made an additional capital contribution of \$30,000 and made no withdrawals. Total revenues for 2017 were \$89,375 and expenses were \$88,377.

In 2018 the owner made no additional contributions of capital. Total revenues for 2018 were \$163,847 and expenses were \$138,902. During 2018 the owner withdrew \$7,500.

In 2019 the owner made an additional capital contribution of \$3,000. Total revenues for 2019 were \$198,364 and expenses were \$130,988. The owner determined from the financial statements that his original investment in 2016 was finally indicating a high rate of return on his investment so he withdrew \$60,000 for personal use. The ending capital account balance on December 31, 2019 after closing entries were posted was \$109,492.

For question #11, write the correct amount on your answer sheet.

11. What was the amount of the owner's original investment in the business on May 1, 2016?

Group 3

Galaxy Company pays employees in one of three ways based on their position: 1) a salary plus commission based on sales; 2) an hourly wage plus a piece rate; and 3) an hourly wage only. Hourly wage employees also earn overtime at 1½ times the regular hourly rate of pay for hours worked over 40 in a week.

For questions 12 through 15, write the correct amount of gross pay for each employee on your answer sheet.

- 12. Garth Vader earns an hourly wage of \$15, and he worked 38 and ½ hours this week.
- 13. Luke Moonwalker earns an hourly wage of \$12 and he worked 55 hours this week.
- *14. Sea Threepeo earns an hourly wage of \$9 and a piece rate of 25 cents. He worked a total of 47 hours and produced 2,540 pieces.
- 15. Leia Prince receives a salary of \$520 per week plus a 3% commission on sales, and she was responsible for \$28,160 worth of sales this week.

Group 4

The capital, withdrawals, and Income Summary accounts for Baruch Deli for the year 2019 are presented below in T-accounts after the recording and posting of all closing entries. Shay Baruch started this business two years ago. There were no transactions on New Year’s Day 2019.

Shay Baruch, Capital				Shay Baruch, Drawing			
12/31/19	200	1/1/19	500	3/1/19	100	12/31/19	300
12/31/19	300			6/1/19	100		
				9/1/19	100		
Income Summary							
12/31/19	1,000	12/31/19	800				
		12/31/19	200				

For questions 16 through 19 write the identifying letter of the best response on your answer sheet.

- 16. In the year 2019, the owner invested in his business
 A. zero B. \$500 C. \$1,000 D. \$1,300 E. some other amount
- 17. For the year 2019, the owner withdrew from the business
 A. zero B. \$100 C. \$300 D. \$600 E. some other amount
- 18. Net income or net loss for the year 2019 was
 A. \$200 Net Loss D. \$500 Net Income
 B. \$200 Net Income E. some other amount
 C. \$500 Net Loss
- 19. The ending balance of Shay Baruch, Capital on 12-31-19 is
 A. \$400 debit D. \$500 credit
 B. \$400 credit E. some other amount
 C. \$500 debit

Group 5

The following rates and maximums per employee per year are in effect:

Social Security	6.2% on gross earnings up to \$137,700
Medicare	1.45% on all earnings
Federal Unemployment Tax	.6% on first \$7,000 of gross earnings
State Unemployment Tax	1.4% on first \$9,000 of gross earnings

The applicable employer matching taxes are at the same rate as the employee rate. In this state, only employers are subject to unemployment taxes.

Sharper Vision began operations on January 2, 2020 and is classified as a monthly depositor for the purpose of paying to the federal government all payroll taxes withheld from employee earnings as well as the employer matching taxes.

Listed below are the earnings for the first three months of operation along with the amounts withheld from the earnings for employee federal income tax. The other required taxes were in fact withheld from each employee, but these calculated amounts are not included in the chart below. You must make those calculations.

Month	Total Earnings	Federal Income Tax Withheld
January	8,460	570
February	9,940	595
March	10,400	625

For questions 20 and 21, write the correct amount on your answer sheet.

- *20. As a monthly depositor, what is the correct amount of the employer’s payroll tax liability that must be paid by March 15, 2020 to the federal government?
- *21. If the January earnings had been earned by only one individual, what is the correct amount of the employer’s January payroll tax expense?

Group 6

It is company policy to record any necessary journal entries and to update the checkbook (check stubs) balance after the bank reconciliation is completed. There are no math errors or recording errors in the checkbook (check stubs). The owner did not receive any prior notice for items he discovered on the bank statement.

Mike's Computer Repair Shop			
Bank Reconciliation			
December 31, 2019			
Bank Statement Balance, 12/30		Checkbook Balance, 12/31	
Add:		Add:	
Deduct:		Deduct:	

On December 31, Mike received the company bank statement dated Dec. 30 and reviewed it along with other accounting records and found the following facts:

- The ending bank balance was \$4,694.22
- The checkbook balance on Dec. 31 before reconciliation was \$4,705.70
- The following checks were written in November, were outstanding in November, and still did not appear on this bank statement:
 check #3678...\$150.00
- The following checks were written in December and did not appear on this bank statement: check #3722...\$198.42 check #3723...\$????
- The bank charged \$18.50 for the month's service charge
- A check in the amount of \$165.00 from Shelly Caliente that Mike deposited on Dec. 27 was returned by the bank for insufficient funds. The bank charged Mike's account \$25.00 for handling the NSF check. No journal entry has been made yet by Mike for the NSF check or its related fee.
- A deposit of \$714.35 made on Dec. 31 does not appear on the bank statement.

For questions 22 and 23 write the correct amount on your answer sheet.

22. What is the adjusted bank balance as of December 31, 2019?

*23. What is the amount of check #3723?

Group 7

The work sheet for a sole proprietorship service business was prepared for the year ending December 31, 2019. The owner's withdrawals for the year 2019 were \$10,000. The known subtotals on the work sheet before the net income (or loss) is calculated are as follows:

Income Statement Credit	99,380
Balance Sheet Debit	109,695
Balance Sheet Credit	97,055

For questions 24 through 29 write the identifying letter of the best response on your answer sheet.

24. The amount of \$99,380 (from the chart above) in theory represents
- liabilities only
 - liabilities plus owner's equity as of 1-1-19 plus any owner investments made during the year 2019
 - all revenue
 - all of the owner's equity plus all revenue
 - all of the owner's equity only
25. The amount of \$109,695 (from the chart above) in theory represents
- assets only
 - assets plus owner's withdrawals
 - assets plus owner's withdrawals plus expenses
 - assets less net income
 - liabilities plus the 1-1-19 capital plus owner investments made during 2019
26. The amount of \$97,055 (from the chart above) in theory represents
- liabilities plus owner's equity as of 1-1-19 plus any owner investments made during the year 2019
 - liabilities only
 - owner's equity as of 1-1-19 only
 - liabilities plus owner's equity as of 1-1-19 only
 - liabilities and owner's equity as of 12-31-19 after all closing entries
27. What is the amount of net income or net loss?
- A. \$2,325 B. \$2,640 C. \$10,315 D. \$12,640 E. \$15,640
28. On this particular work sheet the net income/loss will be written in which two columns?
- Income Statement Debit and Balance Sheet Debit
 - Income Statement Credit and Balance Sheet Credit
 - Income Statement Credit and Balance Sheet Debit
 - Income Statement Debit and Balance Sheet Credit
29. What is the total expense for 2019?
- A. \$83,740 B. \$86,740 C. \$89,065 D. \$96,740 E. \$97,055

Group 8

ProSkate Sales prepares adjusting and closing entries only at the end of the fiscal year which is December 31.

The information below is taken from the adjusted trial balance of the worksheet for the twelve months ended 12-31-19. All accounts have normal balances. Total expenses are grouped together for simplicity.

The owner made one capital contribution during the year 2019 in the amount of \$5,000. The gross profit percentage based on net sales is 44%.

Cash	4,861	Sales Discounts	3,788
Accounts Receivable	2,783	Sales Returns & Allowances	2,794
Inventory	19,430	Purchases	54,042
Accounts Payable	4,655	Transportation In	3,370
David Samuel, Capital	??	Purchases Discounts	3,609
David Samuel, Drawing	10,000	Purchases Returns & Allow.	2,745
Income Summary	3,150 DR	Total Expenses	31,750
Sales	??		

For items 30 through 41, write the correct amount on your answer sheet.

- *30. The amount of Sales on the trial balance is \$_____.
31. The amount of capital on the trial balance is \$_____.
- *32. The amount of capital in the general ledger on 1-1-19 before any 2019 transactions is \$_____.
- *33. Total debits on the trial balance are \$_____.
34. Cost of Delivered Merchandise is \$_____.
35. Net Purchases is equal to \$_____.
36. Cost of Merchandise Sold is \$_____.
37. Net Sales are \$_____.
38. Cost of Merchandise Available for Sale is \$_____.
39. Gross Profit is \$_____.
- *40. Net Income is \$_____.
- *41. The amount of capital on the Post-Closing Trial Balance dated 12-31-19 is \$_____.

Group 9

Below are selected accounts from the general ledger of Brady Company for the ten months ended October 31, 2019. Sales taxes collected in a given month are paid to the state by the 20th of the following month along with a sales report. All sales made by Brady Company are taxable by the state. It is company policy to close the temporary accounts only at the end of the fiscal year, which is December 31.

Cash	Accounts Receivable	Sales Tax Payable	Sales
2,458	1,640	520	65,055

Analyze the following transactions using the T accounts above. Add 8% sales tax to each sale. (In the following transactions that involve sales of merchandise, the amounts given are the selling prices only.)

- Nov 2 Recorded bank credit card sale of \$650 to Janice Alberts.
- Nov 6 Sold merchandise on account to Lacey Chabou \$900.
- Nov 12 Sold merchandise on account to Mable Gilbert \$1,500.
- Nov 19 Paid sales taxes collected in October to the state of Texas.
- Nov 20 Received \$400 on account from Carl Daily.
- Nov 21 Recorded cash sale to Benny Boyd \$325.
- Nov 27 Recorded bank credit card sale of \$3,800 to Danny Sanders.

For questions 42 through 45, write the correct amount on your answer sheet.

- *42. What is the amount of sales that should appear on an Income Statement for the month of November?
- 43. In the month of November what was the total amount of all debits to Accounts Receivable?
- 44. On November 30, what amount is owed to the state of Texas?
- *45. In the month of November what was the total amount of all debits to the Cash account?

Group 10

Some amounts are omitted in each of the following financial statements:

Income Statement
For the Year Ended December 31, 2019

	Fowler Co.	Penney Co.	Wolowitz Co.
Revenues	105,692	(e)	(h)
Expenses	87,080	249,860	96,845

Statement of Changes in Owner's Equity
For the Year Ended December 31, 2019

	Fowler Co.	Penney Co.	Wolowitz Co.
Capital, January 1	(a)	15,890	7,260
Additional Capital Investment	10,000	3,000	(i)
Net Income <Loss>	(b)	1,570	<1,985>
Drawing	5,000	(f)	-0-
Capital, Dec. 31	(c)	19,460	?

Balance Sheet
December 31, 2019

	Fowler Co.	Penney Co.	Wolowitz Co.
Total assets	(d)	47,830	25,035
Total liabilities	2,450	(g)	9,760
Total owner's equity	88,502	?	?

Determine the missing amounts for items "a" through "i" shown above and that correspond to questions 46 through 54 below. Write the correct amount for each on your answer sheet. A net loss must be indicated by brackets or parentheses. (Question marks above indicate unknown amounts; but are not questions to be answered below.)

- *46. Item a
- 47. Item b
- 48. Item c
- 49. Item d
- 50. Item e
- 51. Item f
- 52. Item g
- 53. Item h
- 54. Item i

Group 11

For questions 55 through 66, refer to the document below and write the identifying letter of the best response on your answer sheet.

No. 2604 \$ 485.00		AAA Plumbing	No. 2604
Date <i>January 10, 2020</i>		1608 Glenwood Avenue	
To <i>Basil Supply Co.</i>		Peaceful, TX 74747	<i>January 10, 2020</i>
For <u>supplies</u>		Pay to the Order of <i>Basil Supply Co.</i>	\$485.00
Bal Brought Fwd	3,942.00	<i>Four hundred eighty-five and no/100</i>	DOLLARS
Deposits <u>Jan. 9</u>	1,543.00	First Serenity Bank	
Total	5,485.00	Peaceful, Texas	
This Check	485.00	For <u>Invoice # 3819</u>	<u><i>Chris Jefferson</i></u>
Bal to Carry Fwd	5,000.00	⌚111777777:⌚ 11333 38 2604	

55. The payee is
 - A. First Serenity Bank
 - B. Chris Jefferson
 - C. AAA Plumbing
 - D. Basil Supply Co

56. The drawer is
 - A. First Serenity Bank
 - B. Chris Jefferson
 - C. AAA Plumbing
 - D. Basil Supply Co

57. The drawee is
 - A. First Serenity Bank
 - B. Chris Jefferson
 - C. AAA Plumbing
 - D. Basil Supply Co

58. When Basil Supply Co. prepares a deposit slip, this check from AAA Plumbing will be endorsed using a stamp that states "For Deposit Only, Basil Supply Co." This type of endorsement is called a
 - A. special endorsement
 - B. limiting endorsement
 - C. restrictive endorsement
 - D. restraining endorsement

59. The check stub balance immediately after the previous ck #2603 was written was
 - A. zero
 - B. \$485
 - C. \$1,543
 - D. \$3,942
 - E. \$5,000
 - F. \$5,485

60. Only authorized persons may sign a check. An authorized person is the person(s) who
 - A. is selected by the FDIC.
 - B. is listed on the company's website.
 - C. the bank personnel designate for each account.
 - D. signed the signature card for the account when the account was opened.

61. When writing a check for payment, which of the following should be prepared first?
 - A. the check
 - B. the check endorsement
 - C. the check stub
 - D. the bank reconciliation

Group 11 continued

62. Checks should be
- A. typewritten
 - B. written in ink
 - C. computer-generated
 - D. written in pencil
 - E. any of the choices A, B, C, or D
 - F. any of the choices A, B, or C
63. A system that allows banks to transfer funds among accounts quickly and accurately without the exchange of checks is called
- A. Internet Funds Exchange System
 - B. Paperless Monetary Exchange System
 - C. Electronic Funds Transfer System
 - D. E-bank Money Transport System
64. In an effort to protect a check from alteration some businesses prepare checks using a check-writing machine which ___?___ the amount of the check in words on the Dollars line.
- A. perforates
 - B. paints a hologram of
 - C. uses a special dye to encrypt
 - D. endorses
65. Which of the following statements about a voided check is false?
- A. A voided check may be placed in a special file or it may be folded and stapled to the check stub.
 - B. A voided check should have the word "canceled" printed on the face of the check in large letters.
 - C. If an error is made while writing a check, that check is not used.
 - D. Corrected checks look suspicious to banks, so the incorrect check is voided and a new check is prepared.
66. Determining that the balance shown in the checkbook agrees to the balance of the Cash in Bank account is called
- A. proving the ledger
 - B. proving cash
 - C. a bank reconciliation
 - D. the Schedule of Cash
 - E. reconciling petty cash

Group 12

Refer to Table 1 on pages 12 and 13. For questions 67 through 80, write the correct amount on your answer sheet.

On the Balance Sheet dated December 31, 2019, what was the balance of...

- 67. Prepaid Insurance
- 68. Bess Benton, Capital

- *69. What was the amount of net income for the four months ended December 31, 2019?
- 70. On the bank statement received on Feb. 3, 2020, what was the ending balance?
- *71. What is the adjusted bank balance as of January 31, 2020?

Group 12 continued

On the work sheet for the month ended January 31, 2020 in the Trial Balance columns, what is the balance of...

- 72. Supplies
- 73. Prepaid Insurance
- 74. Capital Card Payable
- 75. Data Source Payable
- *76. Service Revenue
- 77. Insurance Expense

On the work sheet for the month ended January 31, 2019 in the Adjusted Trial Balance columns, what is the balance amount of...

- *78. Supplies Expense
- *79. Insurance Expense

***80. What is the amount of net income for the month of January 2020?

This is the end of the exam. Please hold your answer sheet and test until the contest director asks for them. Thank you.

Table 1
(for questions 67 through 80)

On Friday January 31, 2020, The Listening Ear had a small fire in its office when a lighted candle was accidentally overturned. The owner, Bess Benton, reacted quickly and used the fire extinguisher from the hallway to extinguish the fire. However, some of the accounting records were totally destroyed.

The Listening Ear began operations on September 1, 2019 and provides counseling services to individuals. It is company policy to: 1) record the purchase of prepaid expenses to respective asset accounts; 2) prepare adjusting entries and financial statements monthly; and 3) close the temporary accounts only at the end of the fiscal year which is December 31.

The Dec. 31, 2019 bank reconciliation had no deposits in transit, no outstanding checks, and no other reconciling items. Each bank deposit consisted only of counseling service revenue. Each deposit was consistently recorded in the check stubs on the day the deposit was made at the bank even if the deposit was made after 3 p.m.

Bess purchases all supplies online and only from Paper Clips & More using the business credit card (called Capital Card) and has the supplies delivered to her office. Bess does not use the Capital Card for any other purpose. The charges made in a month must be paid by the 10th of the following month.

On February 3, Bess was able to reconstruct the following items using her remaining records and by contacting other sources as listed below. All account balances are normal account balances.

Here are all of the accounts listed on the Balance Sheet for The Listening Ear dated Dec. 31, 2019 (some balances are intentionally blank and are marked “??”):	
Cash in Bank	6,175
Supplies	615
Prepaid Insurance	??
Office Furniture and Accessories	12,675
Capital Card Payable	390
Bess Benton, Capital (the owner made an investment of \$15,000 on 9-1-19 and the owner made no withdrawals in the year 2019)	??

Ck#	Complete listing of checks written in January 2020 taken from the check stubs:	
1547	purchased a 12-month insurance policy for professional liability coverage on January 2, 2020 (January 1 was a federal holiday.)	3,180
1548	paid the balance due to Capital Card on January 2	??
1549	rent for January	375
1550	miscellaneous expense for January	35
1551	Advertising paid for and used in January	85
1552	Data Sources down payment on computer system	500
1553	payable to Bess Benton for personal use	5,000
1554	paid the electric utility bill for the current month on January 31	145

Table 1 is continued on the next page.

Table 1 continued

The company's January 31 bank statement (received on Feb. 3, 2020) includes the following:	
Beginning bank balance on January 1, 2020	??
Total deposits on this bank statement	13,850
Total checks on this bank statement	9,565
Bank charges for January	15
Ending bank balance on this statement	??

Bess accessed online the business's Capital Card information:	
Balance on January 1, 2020	??
Payment received by Capital Card on January 6, 2020 (see check #1548)	??
Charges made by Bess in January	835

Other Information Gathered by Bess:	
On September 1, 2019 a 12-month insurance policy covering the contents of Bess's office was purchased by writing a check for \$3,300.	
On January 10, 2020 Bess purchased a computer system from Data Sources for \$2,600. Data Sources agreed to sell this system to The Listening Ear on account requiring a down payment (see check #1552) with one-half of the remaining balance due on February 10 and the remainder due on March 10.	
The bank deposit for the last week in January \$8,125 was deposited on Jan. 31, 2020 after 3 p.m. but does not appear on the January bank statement.	
Check #1554 for utilities does not appear on the January bank statement.	
Bess did not know the amount of the January bank service charge until she received the bank statement. On February 3 rd , she recorded the January service charge as a deduction on the last check stub for January. When she journalizes bank service charges, she uses the Miscellaneous Expense account.	
The controlling account for Accounts Receivable as of January 31 has a balance of \$650. This balance was confirmed by Bess when she reviewed the patient invoices that had been billed out in January but that were not yet collected as of January 31.	
Bess accessed her online account for Paper Clips & More. During January she purchased and received supplies in the amount of \$835.	
On the morning of Monday, February 3, 2020, Bess took a physical inventory of supplies after the fire which totaled \$260	

UIL ACCOUNTING—District 2020-D
KEY

Group 1	
1	DR
2	CR
3	CR
4	NA
5	P
6	CR
7	P
8	P
9	CR
10	NA

Group 2	
11	\$ 65,000

Group 3	
12	\$ 577.50
13	\$ 750
*14	\$ 1,089.50
15	\$ 1,364.80

Group 4	
16	A
17	C
18	A
19	E

Group 5	
*20	\$ 2,115.82
*21	\$ 807.63

Group 6	
22	\$ 4,497.20
*23	\$ 562.95

Group 7	
24	C
25	B
26	A
27	D
28	D
29	B

Group 8	
*30	\$ 103,382
31	\$ 21,577
*32	\$ 16,577
*33	\$ 135,968
34	\$ 57,412
35	\$ 51,058
36	\$ 54,208
37	\$ 96,800
38	\$ 73,638
39	\$ 42,592
*40	\$ 10,842
*41	\$ 22,419

Group 9	
*42	\$ 7,175
43	\$ 2,592
44	\$ 574
*45	\$ 5,557

Group 10	
*46	\$ 64,890
47	\$ 18,612
48	\$ 88,502
49	\$ 90,952
50	\$ 251,430
51	\$ 1,000
52	\$ 28,370
53	\$ 94,860
54	\$ 10,000

Group 11	
55	D
56	B
57	A
58	C
59	D
60	D
61	C
62	F
63	C
64	A

Group 11 cont.	
65	B
66	B

Group 12	
67	\$ 2,200
68	\$ 21,275
*69	\$ 6,275
70	\$ 10,445
*71	\$ 18,425
72	\$ 1,450
73	\$ 5,380
74	\$ 835
75	\$ 2,100
*76	\$ 22,625
77	\$ 0 or zero
*78	\$ 1,190
*79	\$ 540
***80	\$ 20,240