



UIL Accounting 2024 Student Activity Conferences

Session 106

Accounting Rocks!

KAY WHITTON
STATE CONTEST DIRECTOR

BEFORE WE GET STARTED

**Register your
attendance.**

**Accounting Session 106
Accounting Rocks!**

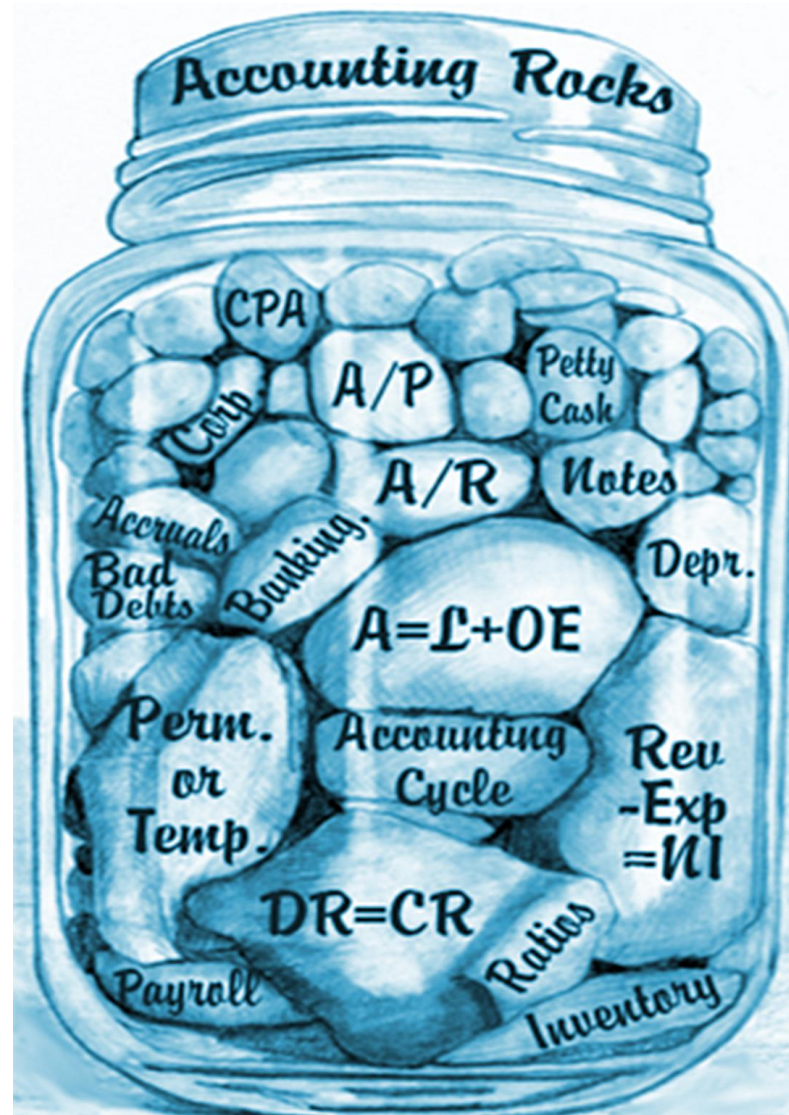


SCAN HERE FOR
AUSTIN ROSTERS



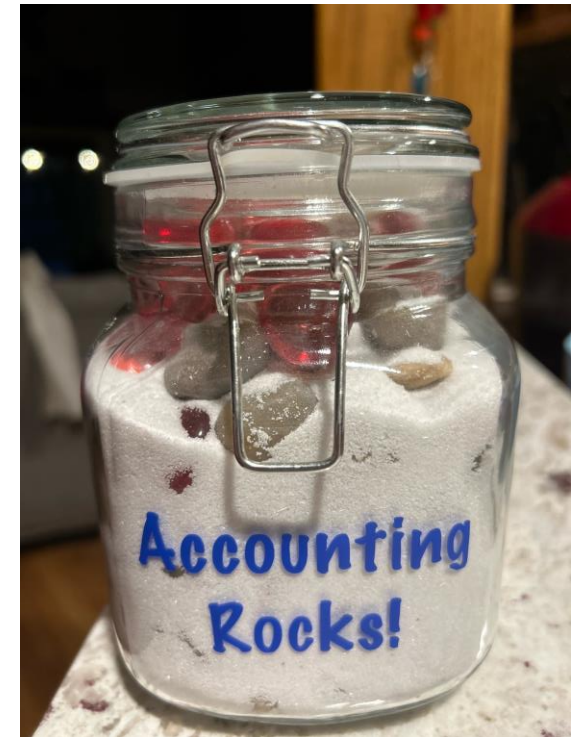
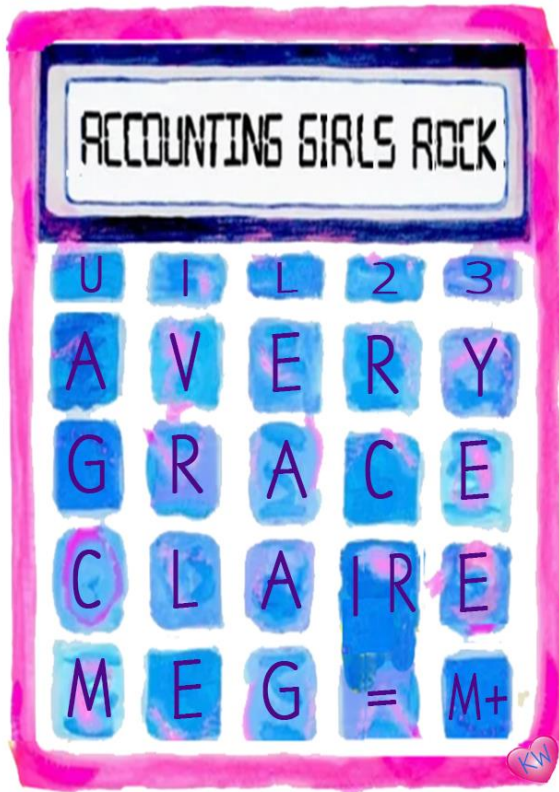
UNIVERSITY OF TEXAS AT AUSTIN

Accounting Rocks: A coined term to represent UIL Accounting



The rocks in the jar image represent learning the main concepts of UIL accounting first, then adding other concepts, practicing each as you go to ensure complete learning.

This last team I coached proved that UIL Accounting can be learned independently, without a book!



Accountingrocks.net

Helpful links:

<https://www.uiltexas.org/academics/academic-contests/accounting>

<https://accountingrocks.net/>

https://www.uiltexas.org/files/academics/Accounting_Handbook_2024-25.pdf

<http://www.funderburkcpa.com/uil/exams>

<https://postings.speechwire.com/r-uil.php>

Accounting Rocks website

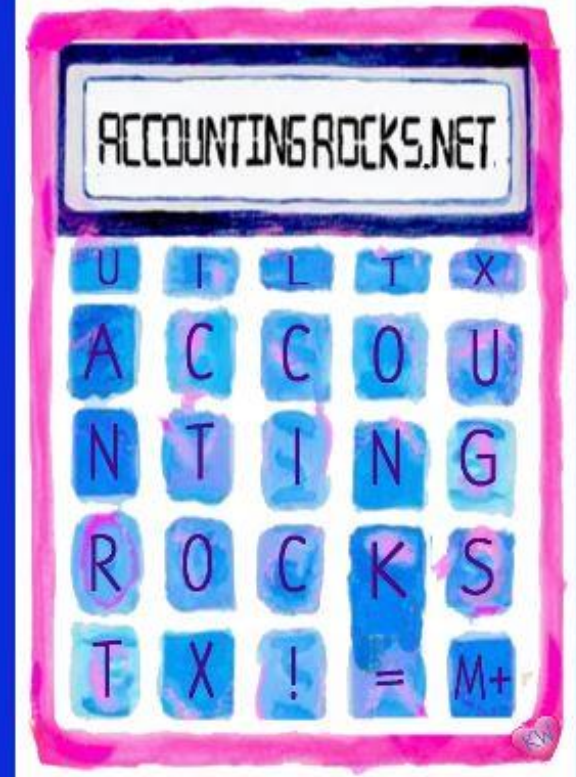
ACCOUNTING ROCKS!

[ACCOUNTING UIL HOME](#) [ARCHIVED EXAMS](#) [CONCEPTS \(ROCKS\)](#)

[CONTACT KAY](#) [FORMULAS](#) [GALLERY](#) [HANDOUTS](#) [KAY'S STORY](#) [LESSONS](#)

[POWERPOINT LESSONS](#) [PRACTICE PACKETS \(ROCKS\)](#) [RESOURCES](#)

UIL
Accounting
resources for
coaches and
students in
Texas!



PowerPoint Lessons page

PowerPoint Lessons

7



UIL Accounting
PP 1 - BAE and DRs & CRs
Start Here First!

KAY WHITON
STATE CONTEST DIRECTOR

[PP 1 - BAE and DR-CR](#)

Download

UIL Accounting
PP 2 Permanent & Temporary Accounts

KAY WHITON
STATE CONTEST DIRECTOR

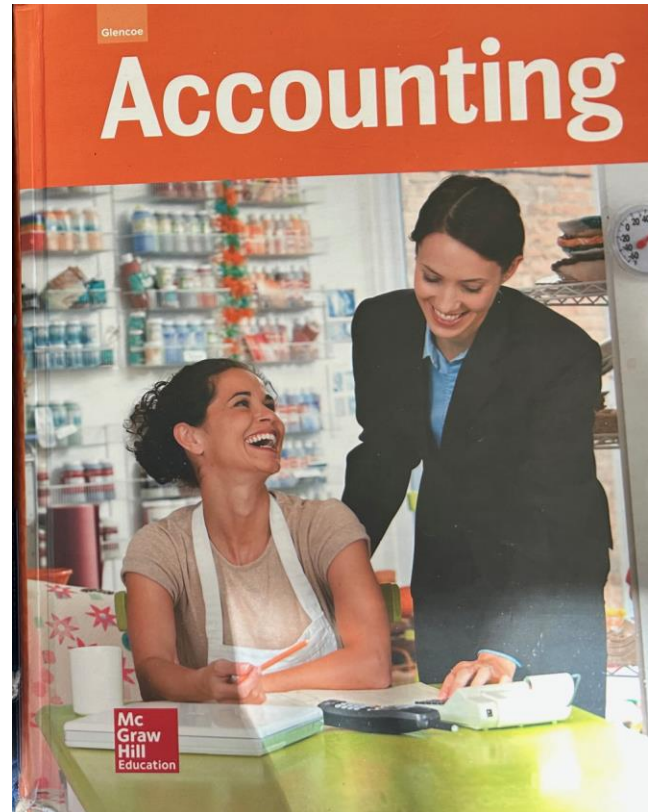
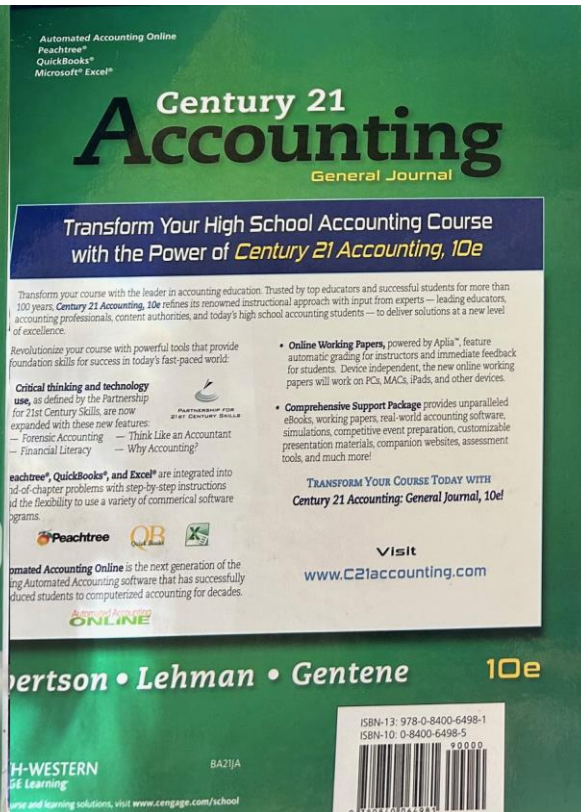
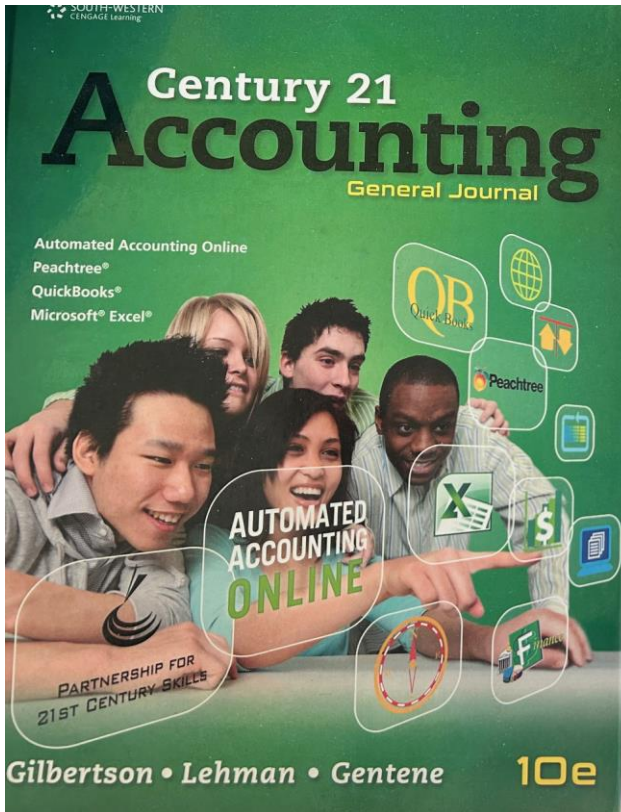
**UNIVERSITY INTERSCHOLASTIC LEAGUE
SCHEDULE OF CONCEPTS FOR THE ACCOUNTING CONTEST
(Revised for School Year 2017-18 and Thereafter)**

DISTRICT LEVEL

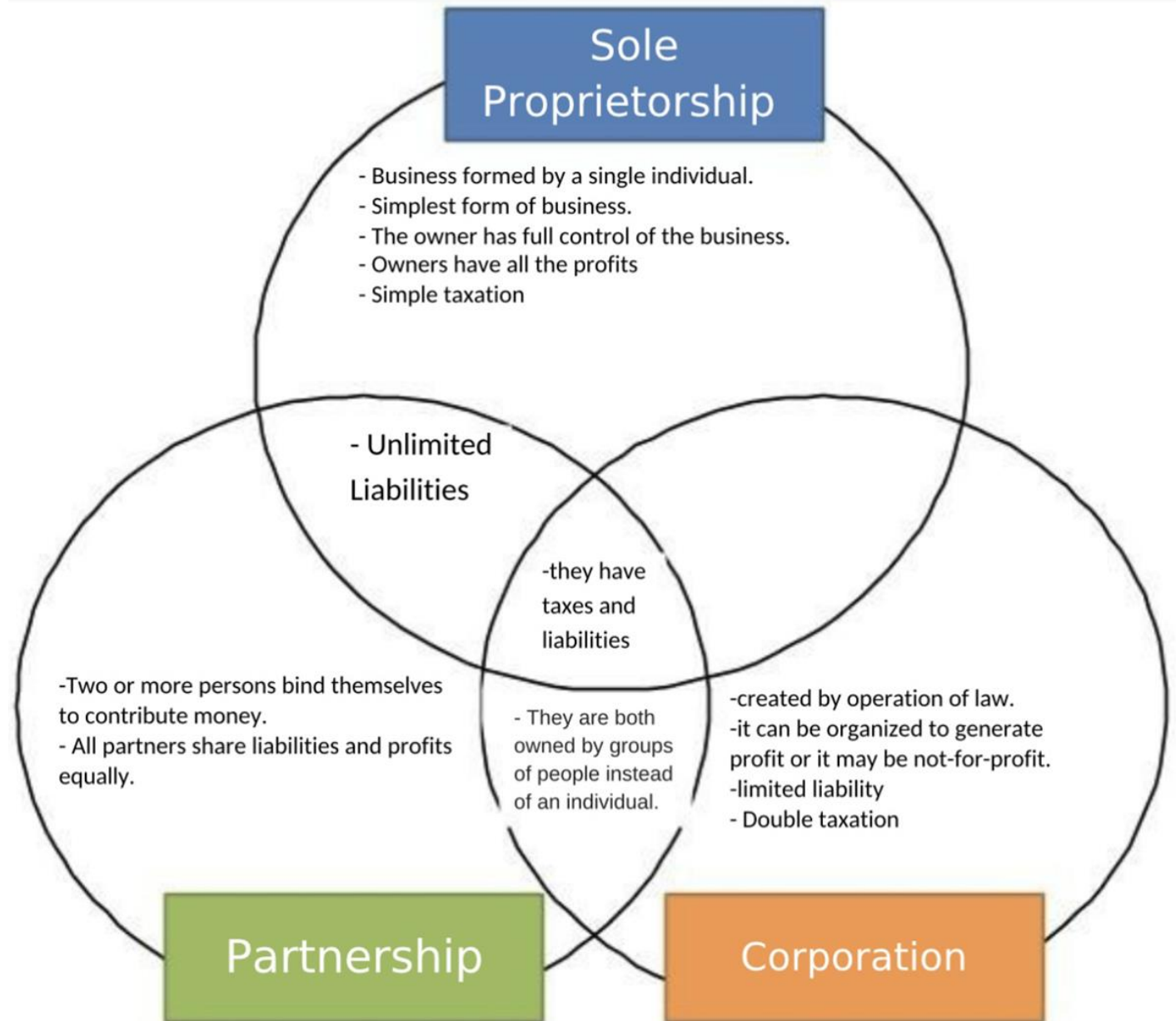
1. Basic accounting theory: classification of accounts, balance side, increase side, decrease side, accounting equation, effect of transactions
2. Journalize transactions--General Journal, compound entry
3. Posting
4. Trial Balance
5. Preparation of these financial statements:
 - a. Balance Sheet (report form and account form) (with or without equity detail)
 - b. Income Statement
 - c. Statement of Changes in Owner's Equity
6. Closing entries
7. Post-Closing Trial Balance
8. Accounting cycle for a service business and for a merchandising business (The order of cycle elements varies among texts. Testing the sequence of the section in conflict will be avoided.)
9. Cash control, banking terminology, entries, bank reconciliation, interest earned
10. Petty cash fund and entries
11. Change fund and entries
12. Terms of sale (trade and cash discounts)
13. Accounting for sales tax
14. Credit card sales, bankcards, debit card sales
15. Special Journals--how to journalize and how to post to General Ledger and Subsidiary Ledgers:
 - a. Purchases Journal
 - b. Sales Journal
 - c. Cash Receipts Journal
 - d. Cash Payments Journal
16. Contra Purchases accounts: Purchases Discounts and Purchases Returns & Allowances
17. Contra Sales accounts: Sales Discounts and Sales Returns & Allowances

18. Shipping Charges: FOB Destination and FOB Shipping Point
19. Transportation In
20. Net Purchases, Net Sales, Cost of Delivered Merchandise, Cost of Merchandise Available for Sale, Cost of Merchandise Sold, and Gross Profit on Sales
21. Accounts Receivable (controlling account and subsidiary ledger)
22. Accounts Payable (controlling account and subsidiary ledger)
23. Worksheet for service business and for merchandising business AND either with or without the Adjusted Trial Balance column
24. Adjusting entries and expired costs (includes the following but is not limited to):
 - a. Supplies
 - b. Insurance
 - c. Inventory (periodic method)
25. Vertical analysis; component percentages on Income Statement (net sales) or Balance Sheet (total assets)
26. Payroll Accounting, employee fringe benefits, retirement plans
27. Terminology and transactions for service and merchandising businesses
28. Sole proprietorship: characteristics, advantages, disadvantages, forming, dissolving, terminology, transactions, entries, taxation
29. Basics of business; ethics; accounting careers; accounting as the language of business
30. Federal taxation of individual income
31. Personal net worth; budgets for individuals
32. Cash basis of accounting; accrual basis of accounting (as it applies to district-level concepts)
33. Accounting Assumptions, Characteristics, Principles:
 - a. Accounting Period Cycle
 - b. Business Entity
 - c. Comparability
 - d. Conservatism
 - e. Consistent Reporting
 - f. Full (Adequate) Disclosure
 - g. Going Concern
 - h. Historical Cost
 - i. Matching Principle
 - j. Materiality
 - k. Objective Evidence
 - l. Realization of Revenue (Revenue Principle)
 - m. Relevance
 - n. Reliability
 - o. Unit of Measure

Texas-adopted Textbooks



Rock: Three forms of business organization:



Rock:
Three types
of businesses:

Types of Businesses

Service Business

Provide
services
at a fee.

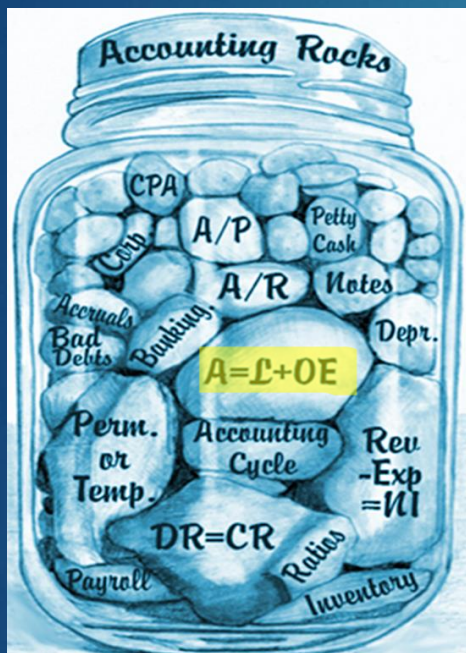


Merchandising Business

Buys and sells
finished products.



Accounting 'Rock':



Basic Accounting Equation

$$\text{Assets} = \text{Liabilities} + \text{Owner's Equity}$$

Basic Accounting Equation

(your first formula!)

Assets



Things that are owned by a business

=

Liabilities



Amounts that
are OWED by
a business

+ Owner's Equity



The owner's value (equity) left over.

Just as
students are
given account
numbers (and
classification)
to keep track
at school...

F Freshmen

So Sophomores

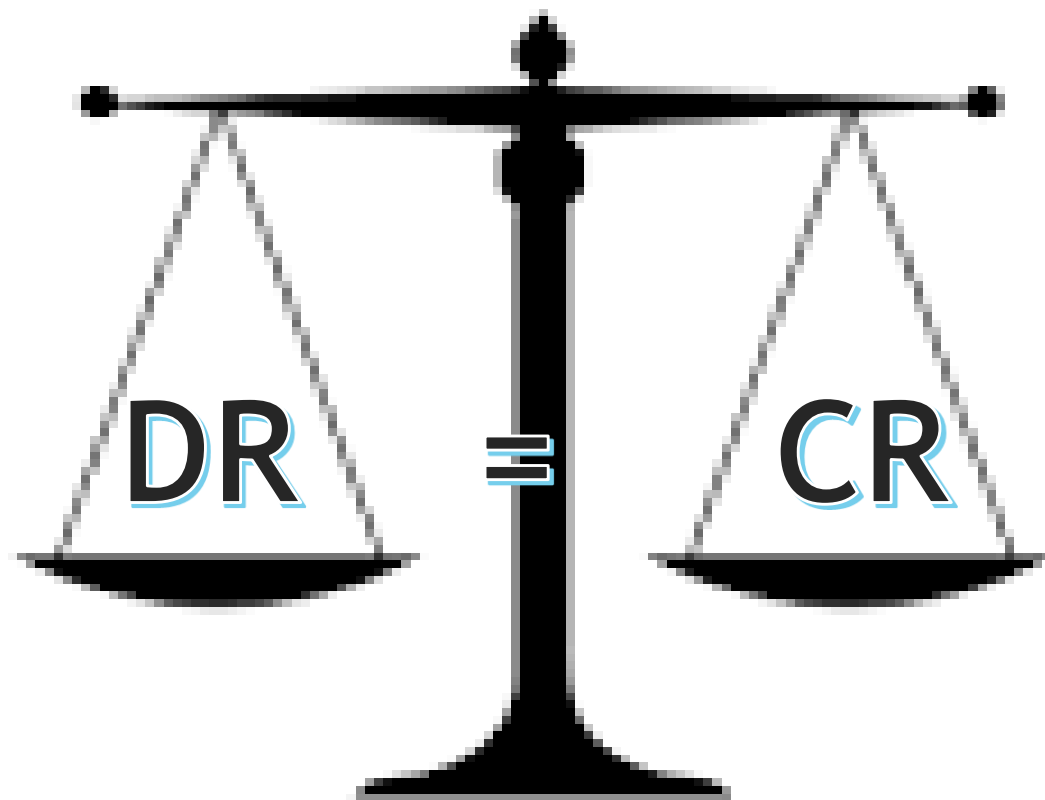
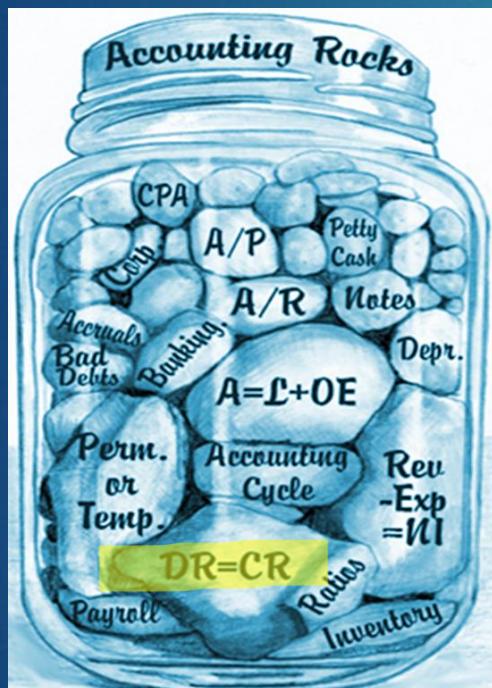
J Juniors

Sr Seniors

We use accounts that are categorized to help track account balances...

A	Assets
L	Liabilities
OE	Owner's Equity
R	Revenue
E	Expenses
GS	Cost of Goods Sold

Accounting 'Rock':



Debits on the Left; Credits on the Right

T Accounts (or T-charts) help track account balances...

Assets	=	Liab. + Owner's Eq.
D		C
Assets are on the LEFT of the BAE, so assets have a DEBIT balance (DR)		Liab. & O/E are on the RIGHT side of the BAE, so they have a CREDIT balance (CR)

Accounts that record transactions that affect the Basic Accounting Equation are called...

ALOE accounts (KW)

Balance Sheet

Real

Permanent

Their balances carry over at the end of each year

Sample accounts

Assets

= Liab. + Owner's Eq.

Assets are owned

Cash in Bank
Accts Receivable
Supplies, Equip.,
Delivery Van
Building

Liabilities are owed

(payable) to
someone else
Accts Payable (A/P)
_____ Payable

O/E Account: Capital

4 Transactions Affect Capital

Capital - Owner's Equity

-

B+

Two **owner-related** transactions

Drawing – takes OUT

Investments - puts IN

Two **income-related** transactions

Expenses – OUTgo

Revenue – INcome

If we just used the capital account, after just a few transactions, it is crowded and hard to separate.

Capital - OE	
-	B+
D 500	25,000 I
E 300	1,000 I
E 450	400 R
E 750	800 R

Of those 4 transactions,
three groups **(RED)** will have many
transactions during the year

Capital - Owner's Equity

(owner-related)	-	B+	(owner-related)
Drawing - hopes to take out lots of \$			Investments - hopes to puts in very few)
(income-related)			(income-related)
Expenses - many expenses to earn \$			Revenue - lots of income to record

So we will give 3 groups their own identity during the year
(like kids going off to college)

Capital - Owner's Equity

Expenses – EOE Drawing – DOE

B+

-

B+

-

Expenses & Drawing
will each have DR
balances since Debits
make capital go



^{B+} Investments will stay in Capital

Revenue – ROE

-

B+

Revenue will
have CR balance
since it makes
capital go



New acronyms to memorize!

D

Debits

E

Expenses

A

Assets

D

Drawing

C

Credits

O

Owner's Eq.

R

Revenue

L

Liabilities

Or a new way to learn DRs/CRs! (shared by a coach @ Tyler SAC)

Debits = Credits

D E A | L E R

Drawing
(Dividends)

Expenses

Assets

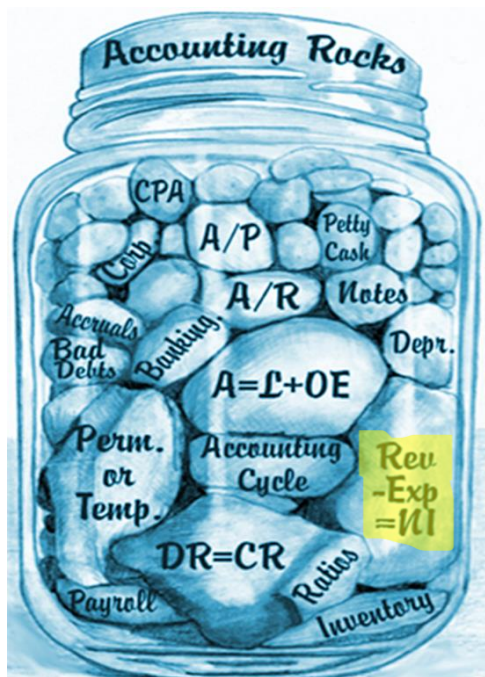
Liabilities

Equity

Revenue

Rock: Basic Income Equation

(REN: your second formula!)



$$\begin{aligned}
 & \text{Revenue} \quad (\text{earned by a biz- Capital}) \\
 - & \text{Expenses} \quad (\text{costs to earn the revenue}) \\
 = & \text{Net Income} \quad (\text{value added to O/E}) \\
 & \text{or Net Loss} \quad (\text{if expenses} > \text{revenue})
 \end{aligned}$$

These income-related transactions that affect the Owner's Equity Capital account are called...

REN accounts (KW)

Income Statement

Nominal

Temporary

Their balances zero out at the end of each year

Sample Practice Lesson

(from the website)

Classifying Early Accounts
(See the website for a more comprehensive list of accounts with practice and key...)

For questions **1-15**, use the following codes to indicate the account classification:
A=Asset B=Liability C=Owner's Equity D=Revenue E=Cost of Goods Sold F=Expense

For questions **16-30**, name account's balance/increase side using **DR=debit, CR=credit**.

For questions **31-45**, indicate if account is Permanent (BS) or Temporary Capital (IS): **P** or **T**

For questions **46-60**, indicate what number the account would have on the chart of accounts.
 (i.e. 100, 200, ... 600)

	Account Classification	Bal + Side	Permanent or Temporary?	Chart of Accounts #
Charles Macy, Capital	1. _____	16. _____	31. _____	46. _____
Charles Macy, Drawing	2. _____	17. _____	32. _____	47. _____
Cash	3. _____	18. _____	33. _____	48. _____
Equipment	4. _____	19. _____	34. _____	49. _____
Advertising Expense	5. _____	20. _____	35. _____	50. _____

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For questions **46-60**, indicate what number the account would have on the chart of accounts.
 (i.e. 100, 200, ... 600)

	Account Classification	Bal + Side	Permanent or Temporary?	Chart of Accounts #
Accounts Payable	6. _____	21. _____	36. _____	51. _____
Transportation In	7. _____	22. _____	37. _____	52. _____
Sales Discounts	8. _____	23. _____	38. _____	53. _____
Toy Sales	9. _____	24. _____	39. _____	54. _____
Purchases - Toys	10. _____	25. _____	40. _____	55. _____

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A=Asset B=Liability C=Owner's Equity D=Revenue E=Cost of Goods Sold F=Expense

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For questions **46-60**, indicate what number the account would have on the chart of accounts.
 (i.e. 100, 200, ... 600)

	Account Classification	Bal + Side	Permanent or Temporary?	Chart of Accounts #
Merchandise Inventory	11. _____	26. _____	41. _____	56. _____
Sales Tax Payable	12. _____	27. _____	42. _____	57. _____
Bank Card Fees Exp.	13. _____	28. _____	43. _____	58. _____
Change Fund	14. _____	29. _____	44. _____	59. _____
Styling Fees	15. _____	30. _____	45. _____	60. _____

Sample Test ??s

UIL ACCOUNTING Invitational 2004-A

Group 1

For each of the following accounts in items 1 through 10, identify the account classification by writing the correct identifying letter from the following list AND write DR or CR to identify the account's normal balance side. Both parts of your response must be correct for your answer to be correct.

A. Asset

B. Liability

C. Capital

D. Revenue

E. Cost of Merchandise Sold

F. Expense

1. Accounts Payable

2. Sales

3. Rent Expense

4. Supplies on Hand

5. Cash

6. Johnnie Mathers, Drawing

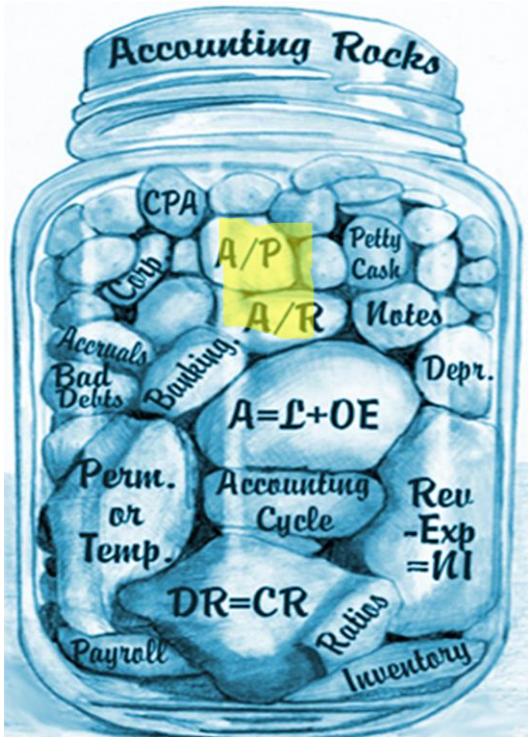
7. Fees Earned

8. Prepaid Insurance

9. Johnnie Mathers, Capital

* 10. Purchases Discounts

Rock: Buying and Selling on credit, think, BOAP (bow-app) or SOAR



When we **buy** (from vendors) on credit:
BOAP: Buy on Accounts Payable

When we **sell** (to customers) on credit:
SOAR: Sell on Accounts Receivable

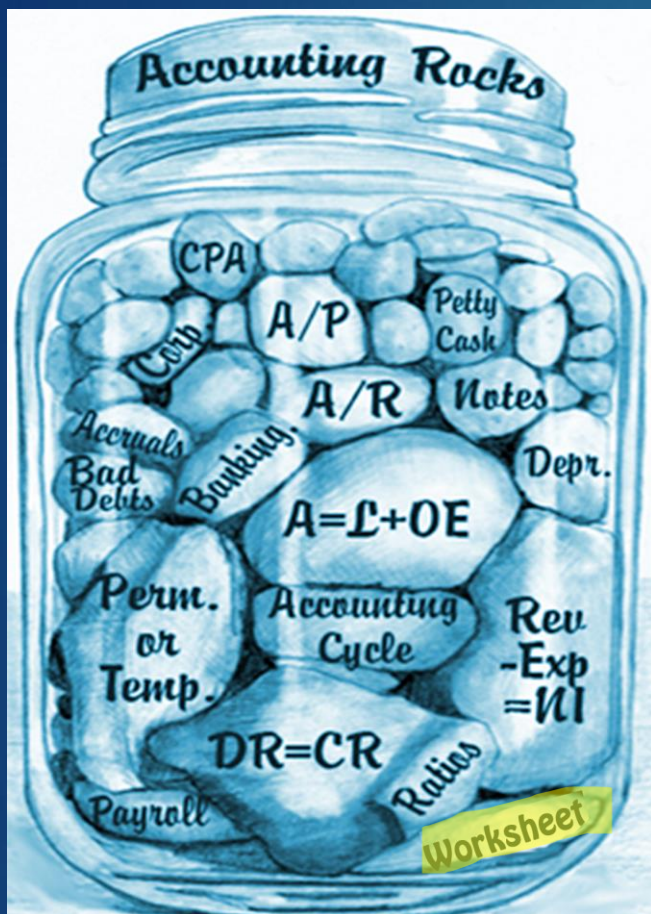
Trial Balance

is a check to see if our DR balances = our CR balances

Trial Balance

35

	DR	CR
Cash	2,755	A/P 1,100
A/R	0	Capital 4,800
Supplies	160	Fees Rev <u>400</u>
PPI	200	
Ofc.Furn.	75	
Comp.Eqp.	3,000	
Drawing	50	
Cell Exp	35	
Internet Exp	<u>25</u>	
Total DRs	<u>6,300</u>	Total CRs <u>6,300</u>



Worksheet

Working paper

Adjustments to accounts

Correct errors

Calculate Net Income (IS cols)

Statement of Position (BS Cols)

**Completing
the
Worksheet
(see PP
lesson on
website)**

List accounts & #s in TB

Make sure that DRs = CRs

Extend (transfer) to IS & BS

Calculate column totals

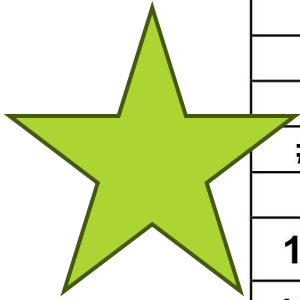
Calculate Net Income

Kellen Moore Web Design

Work Sheet

For Month Ended March 31, 20--

#	Account Title	Trial Balance		Adjustments		Income Stmt		Balance Sheet	
		Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
100	Cash in Bank	2755						2755	
105	Accounts Receivable	0						0	
110	Office/Comp. Supplies	160			40			120	
115	Prepaid Insurance	200			0			200	
120	Office Furniture	75						75	
125	Computer Equipment	3000						3000	
200	Accounts Payable		1100						1100
300	Kellan Moore, Capital		4800						4800
305	Kellan Moore, Drawing	50						50	
310	Income Summary	---	---			---	---		
400	Prof. Fees Revenue		400				400		
500	Cellphone Expense	35				35			
505	Internet Expense	25				25			
510	Insurance Expense	---		0		0			
525	Supplies Expense	---		40		40			
	Column Totals	6300	6300	40	40	100	400	6200	5900
	Net Income/Loss					300			300
	Balancing Totals					400	400	6200	6200



B



I

Sample Test Questions about the WS

Inv. B - 1998

In items 1 through 10 are listed some of the accounts that appear in the Account Title section of a work sheet. Indicate whether the normal account balance will be entered in the debit or the credit column of the Trial Balance section of the work sheet using the following code: DR = Trial Balance debit column CR = Trial Balance credit column

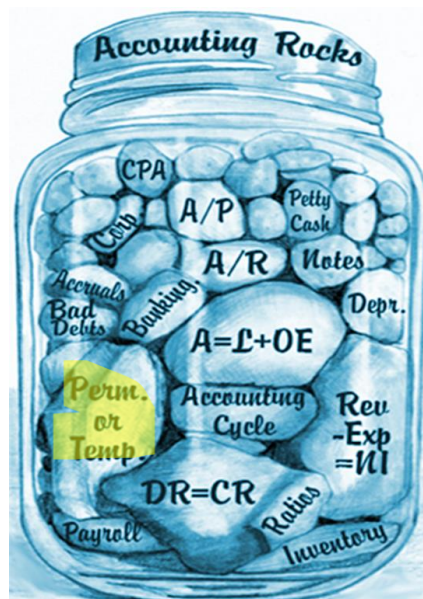
1. Store Equipment
2. Rent Expense
3. Service Revenue
4. Accounts Payable
5. Barbara Sims, Capital
6. Accounts Receivable
7. Purchases
8. Merchandise Inventory
9. Office Supplies
10. Sales Discounts

Balance Sheet

Report of Financial Position

Reports **Permanent** Accounts (ALOE)

Two primary financial Statements



Income Statement

Report of Income

Reports **Temporary** Accounts (RED-C)

Rock: Closing Entries

(the “college kids” come Home to Capital)

300 K.M., Capital - OE

	—	B+	0	Beg. Cap
- DRAW	50		3,000	+ Inv.
			<u>1,800</u>	+ Inv.
			4,800 =	COW
- NL			300 + NI	(Revenue - Expenses)
			5050	End. Cap.

PCTB - Post Closing Trial Balance

42

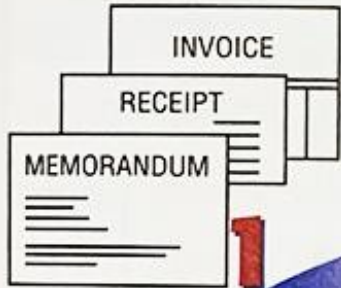
**Post-Closing
Trial Balance**

ensures that
DR = CR

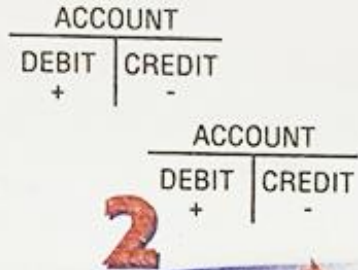
**(Perm.
Account
balances
ONLY)**

	DR	CR
Cash	2,755	A/P 1,100
A/R	0	Capital <u>5,050</u>
Supplies	120	
PPI	200	
Ofc.Furn.	75	
Comp.Eqp.	<u>3,000</u>	
Total DRs	6,150	Total CRs <u>6,150</u>

Collect and verify source documents



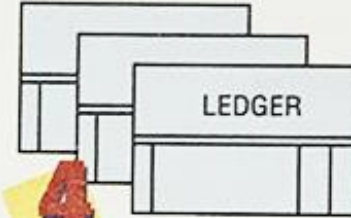
Analyze each transaction



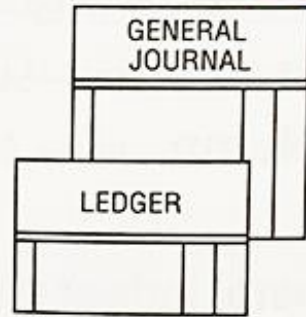
Journalize each transaction



Post to the ledger



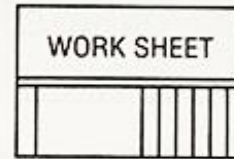
Prepare a post-closing trial balance



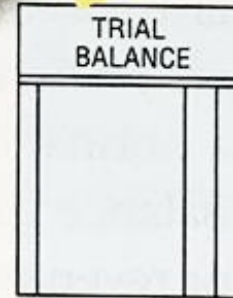
Journalize and post closing entries



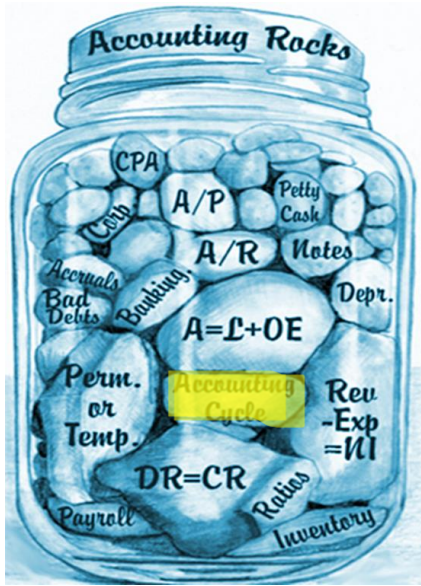
Prepare financial statements



Prepare a work sheet



Prepare a trial balance



Accounting Cycle

C-A-R-P-T-W-F-A-C-T-R

44

Pronounce it **Carp**e**tW**Factor

C – Collect source documents

A – Analyze into DRs and CRs

R – Record in Journal

P – Post to General Ledger

T – Trial Balance

W – Worksheet

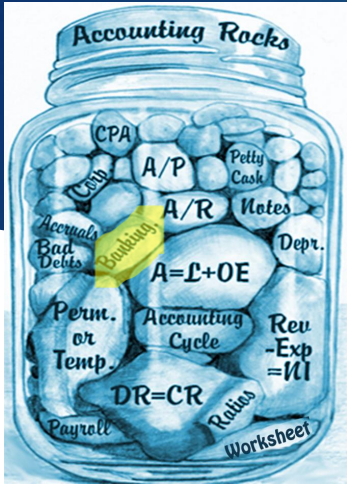
F – Financial Statements

A – Adjusting Entries

C – Closing Entries

T – Post-closing **T**rial Balance

R – Reversing entries (state)



Rock: Bank Rec.

Bank Reconciliation

BK Bal on Stmt
+ Dep in Transit

- O/S Checks

= Rec. Balance

CkBk Bal on Stubs
- Bank Chgs

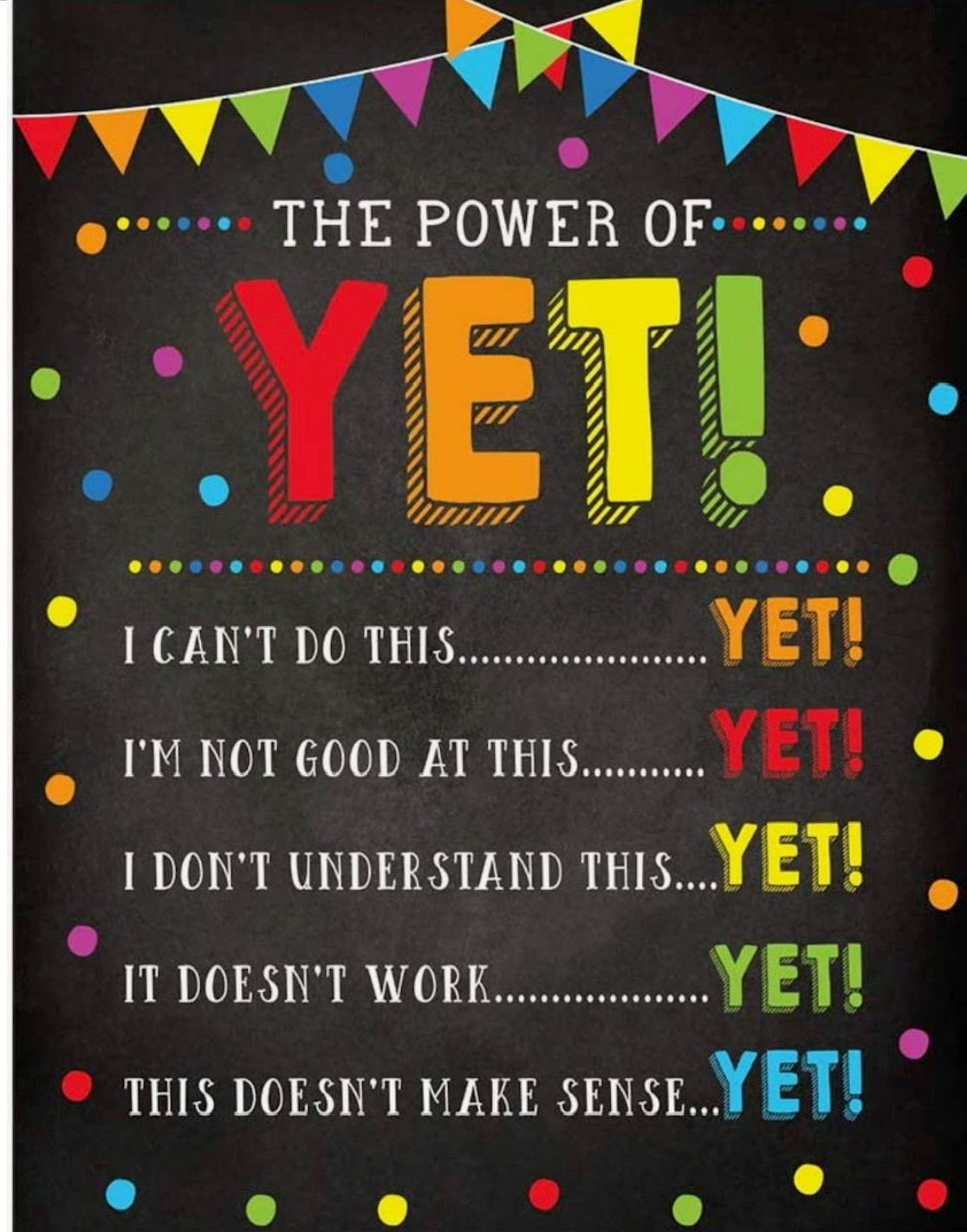
+/- Check Adj.

= Rec. Bal.



See website
for many
more
formulas...

Most
important
word to
remember
when you're
learning....



So take a domino to remind you to...



...start the
momentum
for your
team...

THANK YOU FOR ATTENDING



Austin Eval

**We value your
feedback.**

Please complete
conference evaluation
after your last session.

UNIVERSITY OF TEXAS AT AUSTIN

