**UIL ACCOUNTING**

**Invitational 2018-A**

**Group 1**

**In items 1 through 5 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. Transportation In

2. Sales Tax Payable

3. Prepaid Insurance

4. Sales

5. Petty Cash

**Group 2**

**Use the following information of a sole proprietorship to answer questions 6 through 9. Consider each question independently. Write the identifying letter of the best response on your answer sheet.**

|  |  |  |
| --- | --- | --- |
|  | **ASSETS** | **LIABILITIES** |
| **Beginning of Year** | **82,360** | **12,460** |
| **End of Year After Closing** | **98,320** | **14,375** |

6. The owner made an investment of $5,000 in the business during the year and

 withdrew nothing. The amount of net income or net loss for the year was:

 A. $3,085 C. $10,960 E. $17,045

 B. $9,045 D. $14,045 F. $19,045

7. The owner made no investments in the business during the year and withdrew

 $3,000. The amount of net income or net loss for the year was:

 A. $1,085 C. $11,045 E. $17,045

 B. $4,915 D. $12,960 F. $18,960

8. The owner made no investments in the business during the year and withdrew

 nothing. The amount of net income or net loss for the year was:

 A. $ zero C. $11,045 E. $15,960

 B. $1,915 D. $14,045 F. $69,900

9. The owner made an investment of $5,000 and withdrew $20,000 during the year.

 The amount of net income or net loss for the year was:

 A. $ 955 C. $29,045 E. $39,045

 B. $10,955 D. $30,960 F. $54,900

**Group 3**

**The Balance Sheet for Haegan Co. appears below. Refer to it and answer questions 10 through 13 by writing the identifying letter of the best response on your answer sheet. Consider each question independently.**

|  |
| --- |
| **Haegan Co.** |
| **Balance Sheet** |
| **December 31, 2017** |
| **Assets** |  |  | **Liabilities** |  |
| **Cash** | **24,610** |  | **Accounts Payable** |  **$ 15,285**  |
| **Accounts Receivable** | **9,270** |  |  |  |
| **Computer Equipment** | **16,890** |  | **Owner’s Equity** |  |
| **Office Equipment** | **24,350** |  | **Kay Haegan, Capital** |  **?**  |
| **Office Furniture** |  **?**  |  |  |  |
| **Total Assets** |  **$ ?** |  | **Total Liabilities and** **Owner’s Equity** |  **$ ?** |
|  | **========** |  |  | **========** |

10. If the balance in the Kay Haegan, Capital account is $72,080, what would be the balance in the Office Furniture account?

 A. $3,040 B. $12,245 C. $18,325 D. $56,795 E. $59,835

11. If the balance of the Office Furniture account was $22,760, what would be the total liabilities and owner’s equity?

 A. $37,075 B. $67,645 C. $82,595 D. $97,880 E. $113,165

12. If the balance sheet showed an amount in the Office Furniture account of $18,730

 and if all the computer equipment was sold for its historical cost and cash received,

 what would be the balance of Kay’s capital account?

 A. $41,105 B. $42,945 C. $59,835 D. $61,675 E. $78,565 F. $109,135

\*13. If the balance sheet showed an amount of $25,720 in the Office Furniture account,

 and $3,420 of Accounts Payable were paid and $4,275 of Accounts Receivable was

 received, what would be the balance of Kay’s capital account?

 A. $59,835 B. $60,690 C. $85,555 D. $86,410 E. $88,975 F. $89,830

**Group 4**

**Selected information from a work sheet is shown below. For questions 14 through 16, write the correct amount on your answer sheet.**

|  |  |  |
| --- | --- | --- |
|  **ACCOUNT TITLE** | **TRIAL BALANCE** | **ADJUSTED TRIAL BALANCE** |
|   | **DEBIT** | **CREDIT** | **DEBIT** | **CREDIT** |
| Prepaid Insurance |  **Q#14** |  | 1,680 |  |
| Supplies | 10,380 |  | 1,745 |  |
| Merchandise Inventory | 42,150 |  |   **Q#15** |  |
| Income Summary |  |  |  | 2,455 |
| Insurance Expense |  |  | 2,320 |  |
| Supplies Expense |  |  |  **Q#16** |  |

**Group 5**

**Three customers owed a total of $64,290 to a business called Fox Company as of November 30, 2017 and one of these customers was ABC Company that owed $24,370. On December 31, 2017 the balance of Fox’s controlling account for Accounts Receivable had increased by $3,870 since the beginning of the month.**

**From Fox’s**

**General Ledger**: **Accounts Receivable**

|  |  |
| --- | --- |
| (12-1-17)  |  |
|  |  |
| (Dec 2017) \_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_ (Dec 2017) |
|  |  |
| (12-31-17)  |  |
|  |  |

**Fox’s Accounts Receivable Subsidiary Ledger:**

 **NBC Company Debit Credit Balance**

|  |  |  |  |
| --- | --- | --- | --- |
| 12-1-17 |  |  | 18,740 |
| Dec 2017 |  | 21,620 |  |

 **CBS Company Debit Credit Balance**

|  |  |  |  |
| --- | --- | --- | --- |
| 12-1-17 |  |  |  |
| Dec 2017 | 14,460 | 18,185 |  |

 **ABC Company Debit Credit Balance**

|  |  |  |  |
| --- | --- | --- | --- |
| 12-1-17 |  |  |  |
| Dec 2017 |  | 8,720 | 43,115 |

**For questions 17 through 19 write the correct amount on your answer sheet.**

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

\*18. What is the balance of CBS Company account on 12-1-17?

19. What amount was sold on account to NBC Company during December?

**Group 6**

**At the beginning of the fiscal year 2017, Gallo Company’s assets were $82,647. During the year, assets increased by $8,942 and liabilities decreased by $2,795. At the end of the year, liabilities totaled $7,855. The owner made withdrawals of $15,000 and invested $5,000 in the business during the year.**

**For questions 20 through 22, write the correct amount on your answer sheet. (A net loss must be indicated on your answer sheet either in brackets or in parentheses. A minus sign is NOT acceptable.)**

20. What was the total owner’s equity at the beginning of the year?

21. What was the total owner’s equity at the end of the year?

\*22. What was the amount of net income or net loss for the year?

**Group 7**

**Various account titles from the work sheet of a profitable service business (under normal circumstances) are listed below with identifying letters. In questions 23 through 27, identify which account would reflect each condition given across the work sheet. Write the identifying letter on your answer sheet.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **A** | **Accounts Receivable** |  | **D** | **Income Summary** |
| **B** | **Sam Stone, Capital** |  | **E** | **Insurance Expense** |
| **C** | **Fees Earned** |  | **F** | **Prepaid Insurance** |

 **Trial Income Balance**

 **Balance Adjustments Statement Sheet**

23. N/A debit amount debit balance N/A

24. N/A N/A N/A N/A

25. debit balance N/A N/A debit balance

26. debit balance credit amount N/A debit balance

27. credit balance N/A N/A credit balance

**Group 8**

**It is company policy to record any necessary journal entries and to update the checkbook balance after the bank reconciliation is completed.**

**Data: Bank Service Charge for December is $14.25**

 **Deposits in transit on December 31 are $961.22 and $3,106.72 Reconciled bank balance on December 31 is $3,257.94**

 **Outstanding checks on December 31 are $1,984.16, $950.00 and $4,894.34**

**For questions 28 and 29, write the correct amount on your answer sheet.**

\*28. Given the above facts, what was the amount that was printed on the bank statement

 as the closing balance for December?

29. What was the balance in the cash account in the accounting records prior to

 reconciling the bank statement for December?

**Group 9**

**Ringo Blair started a service business in December of 2017. In this month he completed ten transactions which were all journalized and posted correctly. He correctly prepared the trial balance that follows.**

**Ring for Service**

**Trial Balance**

**December 31, 2017**

|  |  |  |
| --- | --- | --- |
|  | Debit | Credit |
| Cash | 34,075 |  |
| Accounts Receivable | 1,100 |  |
| Supplies | 3,700 |  |
| Office Furniture | 2,800 |  |
| Computer Equipment | 8,000 |  |
| Accounts Payable |  | 2,500 |
| Ringo Blair, Capital |  | 45,000 |
| Ringo Blair, Drawing | 1,700 |  |
| Sales |  | 4,500 |
| Supplies Expense | 0 |  |
| Advertising Expense | 625 |  |
| Totals | 52,000 | 52,000 |

**Additional Information:**

1. **The owner withdrawal was for cash.**
2. **All computer equipment (and only computer equipment) was purchased on account with a down payment of $3,500.**
3. **Only one customer made a payment on account and it was for $400.**
4. **All of the radio and newspaper advertising was broadcast and printed during the month of December.**

**Analyze the trial balance to determine what the ten transactions were. For questions 30 through 40, on your answer sheet, write “True” if the statement is true; write “False” if the statement is false.**

30. Sales at the time the services were provided that resulted in an immediate increase

 to Cash was for $3,000.

31. The amount of owner’s capital contribution is $45,000

32. Part of the $625 in Advertising Expense belongs in an account called Prepaid

 Advertising.

33. The amount in Computer Equipment should be $11,500 because of the down

 payment amount.

34. A customer charged $1,500 for services performed by Ringo.

35. The $4,500 in Sales consists of two types of transactions: one for service provided

 on account and others for services provided for cash.

36. The supplies purchased resulted in a credit to Accounts Payable for $3,700.

37. The Accounts Receivable account was credited for $400.

38. The correct amount of Supplies on the Trial Balance cannot be determined

 because the supplies inventory as of December 31 is not known.

39. The total of the debits to Cash is $52,000.

40. The total of the credits to Cash is $14,325.

**Group 10**

**Bavaria 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 Bavaria Company as of 12-31-17 (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 2017 in the amount of $7,000.**

**Ending inventory on 12-31-17 is $15,940. For items 41 through 52, write the correct amount on your answer sheet.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Cash** | **7,975** |  | **Sales Discounts** | **2,668** |
| **Accounts Receivable** | **3,720** |  | **Sales Returns & Allowances** | **1,845** |
| **Inventory** | **18,780** |  | **Purchases** | **55,033** |
| **Accounts Payable** | **2,440** |  | **Transportation In** | **2,895** |
| **Dee Tress, Capital** |  **?** |  | **Purchases Discounts** | **2,996** |
| **Dee Tress, Drawing** | **10,000** |  | **Purchases Returns & Allow.** | **1,438** |
| **Sales** | **99,993** |  | **Total Expenses** | **22,716** |

41. The amount of capital on the trial balance is $\_\_\_\_\_.

\*42. The amount of capital in the general ledger on 1-1-17 before any 2017 transactions

 is $\_\_\_\_\_.

43. Total debits on the trial balance are $\_\_\_\_\_.

44. Cost of Delivered Merchandise is $\_\_\_\_\_.

45. Net Purchases is equal to $\_\_\_\_\_.

46. Cost of Merchandise Sold is $\_\_\_\_\_.

47. Net Sales are $\_\_\_\_\_.

48. Cost of Merchandise Available for Sale is $\_\_\_\_\_.

49. Gross Profit is $\_\_\_\_\_.

\*50. Net Income is $\_\_\_\_\_.

\*51. The amount of capital on the Post-Closing Trial Balance dated 12-31-17 is $\_\_\_\_\_.

\*52. Total assets on the Balance Sheet dated 12-31-17 are $\_\_\_\_\_.

**Group 11**

**For each account title in questions 53 through 62, write the identifying letter of the correct response (A, B, or C) which indicates whether each account should be closed and where, or if it should not be closed at all. Consider that each account has a normal balance. If the account is to be closed, indicate whether that account is closed with a debit or a credit. Use the following sets of codes. An answer might appear in this way: B DR**

  **A. closed into Income Summary DR=debit**

 **B. closed into the capital account CR=credit**

 **C. not closed**

53. Payroll Tax Expense

54. Transportation In

55. Sales

56. David Conway, Capital

57. Purchases

58. Accounts Receivable

59. David Conway, Drawing

60. Medicare Tax Payable

61. Sales Discounts

\*62. Income Summary (when revenue closed was $30,000; purchases closed was

 $18,370, expenses closed were $11,000, beginning inventory was $5,840; and

 ending inventory was $6,210)

**Continue to use the data given in Question #62. Write the correct amount on your answer sheet for questions 63 through 66. (You only need to write the dollar AMOUNT. Do not write “debit,” “DR” or “credit,” “CR” on your answer sheet. It is not wrong if you write “debit,” “DR” or “credit,” “CR” as long as what you write is correct.)**

63. What is the balance in Income Summary at the beginning of the fiscal year?

\*64. What is the balance in Income Summary after all adjusting entries have been

 posted for the year?

65. What is the balance in Income Summary after revenue, purchases, and expenses

 have been closed?

66. What is the balance in Income Summary after all temporary capital accounts have

 been closed at the end of the fiscal year?

**Group 12**

**Refer to Table 1 on page 9 and the work sheet on page 10. 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. Cash in Bank

\*68. Landscaping Supplies

\*69. Prepaid Insurance

70. Jerry Zenith, Capital

71. Jerry Zenith, Drawing

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

72. Landscaping Supplies

\*73. Prepaid Insurance

74. Landscaping Supplies Expense

75. Insurance Expense

\*\*76. Landscaping 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 1-1-17?

79. What is the amount of net income for the year 2017?

\*\*80. What is the balance of Jerry Zenith, Capital on the Post-Closing Trial Balance dated

 December 31, 2017?

**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)**

**Jerry Zenith is the sole owner of Zenith Landscaping. The selected amounts that appear on the work sheet on page 10 are accurate. However, Jerry forgot to replenish petty cash before he prepared the work sheet. Therefore, Jerry prepared the replenishment check correctly as he prepared the adjusting entries. He corrected the bank reconciliation to show the replenishment check as an outstanding check.**

**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:**

* **Petty Cash:**

**the last time Petty Cash was reconciled was November 30, 2017**

**vouchers dated December 2017 in the Petty Cash box are for gasoline and oil**

 **and the total of all vouchers is $161.00**

**actual cash in Petty Cash box on December 31, 2017 was $37.00**

* **Landscaping Supplies:**

 **Inventory on January 1, 2017………...$ 2,480**

 **Purchased during 2017………………… 18,640**

 **Inventory on December 31, 2017…..… 2,165**

* **Insurance information:**

 **paid by check $3,060 on June 1, 2016 for a 12-month policy**

 **paid by check $3,348 on June 1, 2017 for a 12-month policy**

* **Jerry Zenith, Capital:**

 **General Ledger balance January 1, 2017 $14,758**

 **owner capital contribution February 4, 2017 $10,000**

* **Cash withdrawals by owner for personal use were equal payments of $2,500 per month during 2017.**

 UIL Accounting Invitational 2018-A -10-

|  |
| --- |
| **Zenith Landscaping** |
| **Work Sheet** |
| **For the Year Ended December 31, 2017** |
| **Account Title** | **Trial Balance** | **Adjustments** | **Adjusted Trial Balance** | **Income Statement** | **Balance Sheet** |
|  | **Debit** | **Credit** | **Debit** | **Credit** | **Debit** | **Credit** | **Debit** | **Credit** | **Debit** | **Credit** |
| **Cash in Bank** |  |  |  |  |  |  |  |  |  |  |
| **Petty Cash** | **200** |  |  |  |  |  |  |  |  |  |
| **Prepaid Insurance** |  |  |  |  |  |  |  |  |  |  |
| **Landscaping Supplies** |  |  |  |  |  |  |  |  |  |  |
| **Landscaping Equipment** | **14,500** |  |  |  |  |  |  |  |  |  |
| **Vehicle & Trailer** | **32,000** |  |  |  |  |  |  |  |  |  |
| **Accounts Payable** |  | **1,260** |  |  |  |  |  |  |  |  |
| **Jerry Zenith, Capital** |  |  |  |  |  |  |  |  |  |  |
| **Jerry Zenith, Drawing** |  |  |  |  |  |  |  |  |  |  |
| **Landscaping Revenue** |  |  |  |  |  |  |  |  |  |  |
| **Vehicle Expense** | **13,930** |  |  |  |  |  |  |  |  |  |
| **Gasoline & Oil Expense** | **50,430** |  |  |  |  |  |  |  |  |  |
| **Equipment Repairs** | **12,150** |  |  |  |  |  |  |  |  |  |
| **Cash Short & Over** | **43** |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
| **Subtotals Before Net Income** |  |  |  |  |  |  |  |  | **85,527** |  |
| **Net Income** |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |