

UIL ACCOUNTING PRACTICE PACKET

Spring 2017

Written by
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Alan Barkemeyer, author of *Hexco's Regional Accounting Practice Packet Volume 2*, brings over 32 years teaching experience to include serving 24 years at Rosebud-Lott ISD. Barkemeyer has led his high school students to State in Accounting for 23 years resulting in 15 individual State championships (state record) and winning 17 team championship titles. His teams have always placed in the top 6. Barkemeyer is a four-time recipient of the Rosebud-Lott Teacher of the Year award and was selected as the 2009 Outstanding High School Teacher by the University of Texas Ex-Students Association and UT College of Education. Barkemeyer is a graduate of the University of Texas at Austin.

We are a small company that listens! If you have any questions or if there is an area that you would like fully explored, let us hear from you. We hope you enjoy this product and stay in contact with us throughout your academic journey.

~ President Hexco Inc., Linda Tarrant

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S17A

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.

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

Debit	=	DR or Debit or D
Credit	=	CR or Credit or C
True	=	True or T
False	=	False or F
Yes	=	Yes or Y
No	=	No or N

If you choose another response for the examples given above, it will be counted as incorrect.

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.

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.

If the answer is in cents only (no dollars), a decimal point must precede the two-digit amount, OR you may write the word "cents" after your two-digit answer.

Including commas in an amount where appropriate is encouraged. Failure to use commas will not make your answer wrong.

Answers with percents should include one decimal place unless stated differently in the group instructions.

A loss, net loss, negative number, or cash short must be indicated by brackets or parentheses. (Minus sign is not acceptable.)

You must follow group instructions regarding rounding and format of each answer.

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

Group 3

For each of the following items, write INC if the item described increases the capital account, or write DEC if it decreases the capital account. If the item described has no overall effect on capital, write NE on your answer sheet.

- *33. Transportation In was incorrectly recorded as Delivery Expense.
- 34. The cash register drawer was short when cash was proved at the end of the day.
- 35. Merchandise Inventory decreased during the fiscal period.
- *36. The owner withdrew merchandise during the fiscal period.
- 37. The markup on an item of merchandise that's been sold.
- 38. Purchases Discounts were overstated during the fiscal period.
- 39. A computer for the office was purchased on account.
- 40. Sales Returns & Allowances were understated for the period.
- 41. An amount owed to a vendor was paid in full with no discount.
- 42. Cost of Merchandise Sold increased this fiscal period.
- 43. Prepaid Insurance was adjusted for premiums that had expired.
- 44. There was more petty cash in the petty cash box at the end of the fiscal period than there should have been.
- 45. The bank service charge on the bank statement was \$35.
- 46. A customer received a cash discount for paying her bill early.
- 47. Purchased supplies for cash.
- *48. Paid a vendor early and received a cash discount.

Group 4

Indicate whether the trial balance debits and credits would equal under the following circumstances. Write YES or NO on your answer sheet.

- 49. An owner withdrawal was posted as a debit to the owner's equity account.
- 50. The FUTA Payable account balance was listed in the Trial Balance Debit column.
- 51. A payment to a creditor was posted as a debit to Cash and a credit to Accounts Payable.
- 52. The Utilities Expense balance was omitted from the trial balance.
- 53. The Freight In balance was recorded in the Trial Balance Credit column.
- 54. The balance of the Petty Cash account was written in the Trial Balance Debit column.
- 55. A purchase of merchandise was debited to Merchandise Inventory instead of to Purchases.
- 56. A \$26.00 payment on account from a customer was journalized and posted as \$62.00.
- 57. A transaction was journalized and posted twice.
- 58. A transaction was omitted from the journal.
- 59. A payment on account that was received from Lem Barney was accidentally posted as a credit to Len Barney's account.

Group 5

For each of the following items, determine if it would or would not appear on a post-closing trial balance. Write YES or NO on your answer sheet.

60. The ending Merchandise Inventory for the fiscal period.
61. The amount of assets taken out of the business for the owner's personal use.
62. The total amount paid for rent during the fiscal period (rent is not prepaid).
63. Value of unexpired insurance premiums.
64. The total amount for services rendered by the business during the fiscal period.
- *65. The total amount of all assets.

Group 6

Write TRUE or FALSE for each of the statements listed below.

66. Traveler's checks require the drawer to sign the checks twice.
67. Since a voided check cannot be used, it should be shredded or otherwise destroyed.
68. A certified check requires the bank to handle the check twice—one when it's certified and again when it's presented for payment.
69. Both a dishonored check and its fee must be credited to a customer's accounts receivable account.
70. Check stubs are used as source documents in the Cash Receipts Journal.
71. A check that was outstanding in May and that is still outstanding in June is known as a floating check.
72. The ABA numbers on a check are printed in magnetic ink so they can be read and processed automatically, speeding up the processing of the check.
73. The change fund does not have to be accounted for on a cash proof.
74. An EFT transaction is recorded the same way as a check except the source document is a memorandum instead of a check stub.
75. When a deposit is made at the bank, the Cash account will be debited in the Cash Receipts Journal.
76. A service charge must be deducted from the bank statement when preparing a bank reconciliation.
77. The bank on which a check is drawn is known as the drawee.
78. A special endorsement consists of two or more payees.
79. A full endorsement restricts further transfer of a check.
- *80. A blank endorsement consists only of the payee's name.