

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

REGIONAL LEVEL

1. Any items on District List
2. Accrual basis of accounting (as it applies to regional-level concepts)
3. Direct write-off of uncollectible Accounts Receivable
4. Estimating uncollectible accounts (allowance method): 1) Percent of Sales Method (credit sales) or Percentage of Net Sales Method, and 2) Percent of Accounts Receivable Method or Aging of Accounts Receivable Method
5. Book value of Accounts Receivable
6. Write-off an account when an allowance method had been used
7. Collect an account previously written off: 1) under direct write-off method; and 2) when an allowance method had been used
8. Components of asset cost, allocation of cost when assets are purchased in a group
9. Current assets, plant assets, intangible assets
10. Plant asset records; Return on Investment (ROI)
11. Property taxes
12. Depreciation and salvage value (and alternative terms)
13. Straight line depreciation (including partial year calculation) (calculate to nearest first of month)
14. Declining-balance method (including partial year calculation)
15. Disposal of an asset (at book value or with gain or loss)
16. Classifications: Other Income; Other Expense
17. Perpetual and periodic inventory methods and entries
18. Costing inventory (FIFO, LIFO, Weighted-Average, and Specific Identification), comparison of methods in rising and falling prices, and lower of cost of market method
19. Estimating ending inventory using gross profit method
20. Effects of incorrect cost of inventory on financial statements in current and future periods
21. Interim financial statements
22. Partnership: characteristics, advantages, disadvantages, forming, dissolving, terminology, transactions, entries, taxation, financial statements

STATE LEVEL

1. Any items on District and Regional Lists
2. Financial statements for a corporation: Balance Sheet, Income Statement, Statement of (Changes In) Retained Earnings, Statement of Stockholders' Equity, Statement of Cash Flows
3. Classified financial statements; comparative financial statements
4. Analyzing financial statements (horizontal analysis) and working capital
5. Ratio analysis (liquidity ratios and profitability ratios) (includes but not limited to):
 - a. Current ratio
 - b. Quick ratio
 - c. Return on sales
 - d. Return on Owner's Equity (sole proprietor or partner)
 - e. Return on Stockholders' Equity (formula is: $\text{Net Earnings} / \text{Average Stockholders' Equity (SE)}$, when Average SE is calculated: $\text{Beginning Stockholders' Equity} + \text{Ending Stockholders' Equity} / 2$)
6. Budgets for corporations, capital expenditures, revenue expenditures
7. Equity financing
8. Short-term debt financing
9. Long-term debt financing (includes but not limited to): mortgages, bonds, leverage, repayment of installment loan
10. Promissory notes (calculation, terminology, and entries) for notes payable and receivable
11. Interest-bearing notes and non-interest-bearing notes (including adjustments when end-of-fiscal-year occurs within the term of the note)
12. Number of days in each month (February will be given); term based on 360/365 days will be given
13. Accruals (including entries, calculation, classification and financial statement presentation)
14. Deferrals (including entries, calculation, classification and financial statement presentation)
15. Reversing entries
16. Effects on financial statements of incorrect accruals and deferrals in current and future periods
17. Corporation: characteristics, advantages, disadvantages, forming, terminology, transactions, entries, taxation
18. Accounting for international sales; Internet sales

The test writer for the contest surveyed the state adopted texts and obtained input from a cross-section of high school accounting teachers in Texas. From this effort a list of concepts was compiled and the test writer determined concepts to be covered by district, regional, and state. The lists are general in nature except when detail is necessary to clarify presentations in the textbooks. The test is not developed from any one book. Coaches should note that these lists are not all-inclusive. When textbooks present an item in a slightly different manner, it is suggested that coaches provide students with all presentations. The Schedule of Concepts for the Accounting Contest is designed for contest preparation and is not intended to replace the daily lesson plans used in the classroom. Contest preparation should not determine classroom teaching schedules or content.