

Accounting Principles I (ACC 111)
Final Exam Calculations Review

Account balances for the Asparagus Company:

Accounts Payable	6	Cash	4
Accounts Receivable	9	Equipment	20

What is the amount of Asparagus Company's Stockholders' Equity?

Account balances for the Banana Company:

Cash	10	Fees Earned	60
Accounts Receivable	12	Accounts Payable	19
Inventory	23	Dividends	15
Land	70	Building	60
Wages Expense	12	Common Stock	100
Insurance Expense	7		

What is the total of Banana Company's Assets?

Fill in each of the twelve blanks with either D (for Debit) or C (for Credit).

Type of Account	Increase	Normal Balance
Assets		
Liabilities		
Common Stock		
Dividends		
Revenues		
Expenses		

Which accounts would be debited and credited for the following?

Transaction	Debit	Credit
a) Provided services on account		
b) Invested cash for stock in business		
c) Paid rent		
d) Collected cash from customer (a)		

Chart of accounts (list of accounts) for above transactions: Cash, Accounts Receivable, Equipment, Accounts Payable, Common Stock, Dividends, Fees Earned, Rent Expense.

Prepare the proper journal entry for the following transaction and adjustments:

May 1

- Purchased \$4,000 computer, paying \$1,000 cash and balance on account.

Dec 31

- Employees are paid total salaries of \$60,000, every Friday, for 5-day week. Prepare the necessary adjustment on Tuesday, December 31.

Dec 31

- Paid \$3,600 for one-year insurance policy on June 1. Prepare the necessary adjustment on December 31.

Cauliflower Company purchases \$30,000 of merchandise, on August 10, terms 2/10, net 30. What is the amount of the discount and the last date of payment for this company to take advantage of the discount?

Sales	600
Inventory: Beg	40
End	70
Purchases	400
Purchases returns	25
Freight-in	15

Calculate the following:

Cost of merchandise purchased

Cost of merchandise sold

Gross profit

Date	Units	Unit Cost	Total Cost
Mar 1	50	\$4	\$200
12	120	5	600
26	30	6	180

Mar 31 Ending Inventory – 70 units

Ending Inventory

First-in First-out (FIFO)

Last-in First-out (LIFO)

Weighted Average

Cash balance per bank	15,000
Deposits in transit	4,000
Note collected by bank	500
Service charges	50
Customer's NSF check	300
Outstanding checks	1,500

Adjusted balance per bank?

Cash balance per books	11,000
Service charges	100
Deposits in transit	3,700
Outstanding checks	1,300
Note collected by bank	600
Customer's NSF check	200

Adjusted balance per books?

Terms of Note Receivable: \$80,000, 9%, 120 Days

Interest?

Maturity Value?

At December 31 of the current year, Dandelion Company's accounts reflect the following unadjusted balances.

<u>Accts Receivable</u>	<u>Allowance for Doubtful Accounts</u>	<u>Sales</u>
500,000	7,000	6,000,000

What is Dandelion Company's net realizable value?

Dec 31

- Wrote off \$2,000 customer as uncollectible. Prepare the necessary journal entry.

An automobile was purchased on January 1, Year 1 at a cost of \$20,000. Estimates: useful life 5 years, mileage 75,000 and residual value of \$5,000.

- 1) Straight-line method annual depreciation?
- 2) Units of production method, depreciation when driven 12,000 miles?

- 3) Double declining balance method depreciation for Year 2?

An automobile that cost \$25,000, and had accumulated depreciation of \$14,000, is sold for \$13,000 cash.

Gain OR Loss of \$ _____

An investment of \$10,000 is made at an annual rate of 4% for 9 years.

How would the time value of money tables be used if the compounding of interest was:

Semi-annually

_____ periods _____ %

Quarterly

_____ periods _____ %

Amounts received:

Salary	26,000
Tips	5,000
Interest – bank	1,000
Maricopa county bonds	1,200
Game show winnings	10,000
Gift from grandparent	12,000
Illegal income	18,000
Income from second job	7,000
Inheritance	50,000

Amount included in taxable income?

Children:

12-year old
16-year old
19 year-old GCC freshman

Amount paid:

Tuition to GCC 3,000

Total of tax credits?