

How to play

1. Journalize the transactions on the given journals (don't show or help your neighbors)
2. Play a round of spoons
3. First person who gets a spoon earns 2 points,
4. All others with spoons earn 1 point
5. Last person (no spoon) earns no points & -1 If their transaction is incorrect.

Points are only earned if the transaction was journalized correctly.

Wrote off a customer's past-due account as uncollectible, \$1000.

General Journal					Page: 15		
	Date		ACCOUNT TITLE	Doc. No.	Post Ref.	DEBIT	CREDIT
1	2019	Nov.	Allowance for Uncollectible Accounts			1000.00	
2			Accounts Receivable/Customer Acct. Rec				1000.00
3							
4							
5							
6							
7							

Accepted a 90-day, 9% note from a customer for an extension of time on its account, \$1000.

General Journal							Page: 15	
	Date		ACCOUNT TITLE	Doc. No.	Post Ref.	DEBIT	CREDIT	
1	2019		Notes Receivable			1000.00		
2	Nov.		Accounts Receivable/Customer Acct. Rec				1000.00	
3								
4								
5								

Received cash from a customer for the maturity value,
a 90-day, 9% (\$22.5 interest) note for \$1000.00

[illegible]

A customer dishonored NR21, a 90-day, 9% note, for \$1,000.00 and \$22.5 Interest.

General Journal						Page: 15	
	Date		ACCOUNT TITLE	Doc. No.	Post Ref.	DEBIT	CREDIT
1	2019		Accounts Receivble/Customer Acct. Rec			1022.50	
2	Nov.		Notes Receivable				1000.00
3			Interest Income				22.50
4							
5							

Received cash in full payment of a customers account, previously written off as uncollectible, \$1000.

General Journal										Page: 7	
	Date		ACCOUNT TITLE			Doc. No.	Post Ref.	DEBIT		CREDIT	
1	Date		Accounts Rec./Customer Account					1000.00			
2			Allowance for uncollectible accounts							1000.00	
3											
4											

[illegible]



FALSE

The allowance method of accounting for uncollectible accounts does not comply with generally accepted accounting principles.



FALSE

- When a customer account is written off under the allowance method, the book value of accounts receivable decreases.



TRUE

- A note provides a business with legal evidence of a debt in the event it becomes necessary to go to court to collect.




FALSE

Total assets are reduced when a business accepts a note receivable from a customer needing an extension of time to pay an account receivable.




TRUE

- The book value of accounts receivable must be a reasonable and unbiased estimate of the money the business expects to collect in the future.
- 




TRUE

- The accounting concept Neutrality is applied when the process of making accounting estimates is free from bias.
- 



FALSE

- The expense of an uncollectible account should be recorded in the accounting period that the account becomes uncollectible.
- 



TRUE

The account Allowance for Uncollectible Accounts has a natural credit balance.



FALSE

A business usually knows at the end of the fiscal year which customer accounts will become uncollectible.



FALSE

The account Allowance for Uncollectible
Accounts is reported on the income statement.



FALSE

The percent of each age group of an accounts receivable aging that is expected to become uncollectible is determined by generally accepted accounting principles.



FALSE

- The adjusting entry for uncollectible accounts reduces the balance of the Accounts Receivable account.

TRUE

- A business having a \$400.00 debit balance in Allowance for Uncollectible Accounts and estimating its uncollectible accounts using accounts receivable aging to be \$5,000.00 would record a \$5,400.00 credit to Allowance for Uncollectible Accounts.



TRUE

Interest rates are stated as a percentage of the principal.




FALSE

Interest income is classified as revenue from normal operations.



TRUE

- When using the allowance method, writing off an uncollectible account does not change the net realizable value of accounts receivable.
- 



FALSE

The direct write-off method complies with generally accepted accounting principles.



FALSE

The direct write-off method matches the expense of uncollectible accounts to the revenue that is earned in the same period.