

INTERVIEW QUESTIONS FOR FINANCE ASSISTANT G5 POSITION

NAME: _____

A) DEBITS AND CREDITS

Please Circle the correct Answer

1. A company receives \$500 of cash as an additional investment in the company by its owner, Mary Smith. The company's CASH account is increased and Mary Smith, Capital is increased.

a.	Should the \$500 entry to the CASH account be a debit ?	Yes	No
b.	Should the \$500 entry to MARY SMITH, CAPITAL be a debit ?	Yes	No

2. A company performed services on account in August. The services were for \$2,000 and the company gave the customer credit terms that state the amount is to be paid to the company in September.

a.	Assuming that the company prepares monthly income statements, what will be the account debited for \$2,000 in August ?
	Cash Accounts Receivable Service Revenue

3.

b.	Which account should the company credit for \$2,000 in August ?
	Cash Accounts Receivable Service Revenue

4.

c.	In September when the company receives the \$2,000 from the customer, which account should the company debit ?
	Cash Accounts Receivable Service Revenue

5.

d.	In September when the company receives the \$2,000 from the customer, which account should the company credit ?
	Cash Accounts Receivable Service Revenue

6. To **increase** the balance in the following accounts, would you debit the account or would you credit the account?

a.	Accounts Payable	Debit	Credit
b.	Cash	Debit	Credit
c.	Land	Debit	Credit

d.	Notes Payable	Debit	Credit
e.	Accounts Receivable	Debit	Credit
f.	Mary Smith, Capital	Debit	Credit
g.	Supplies	Debit	Credit
h.	Supplies Expense	Debit	Credit
i.	Prepaid Insurance	Debit	Credit
j.	Service Revenue	Debit	Credit
k.	Mary Smith, Drawing	Debit	Credit
l.	Equipment	Debit	Credit
m.	Unearned Revenue	Debit	Credit

7. To **decrease** the balance in the following accounts, would you debit the account or would you credit the account?

a.	Accounts Payable	Debit	Credit
b.	Cash	Debit	Credit
c.	Land	Debit	Credit
d.	Notes Payable	Debit	Credit
e.	Accounts Receivable	Debit	Credit
f.	Mary Smith, Capital	Debit	Credit
g.	Supplies	Debit	Credit
h.	Supplies Expense	Debit	Credit
i.	Prepaid Insurance	Debit	Credit
j.	Service Revenue	Debit	Credit
k.	Mary Smith, Drawing	Debit	Credit
l.	Equipment	Debit	Credit
m.	Unearned Revenue	Debit	Credit

8. What is the **normal balance** for the following accounts?

a.	Accounts Payable	Debit	Credit
a.	Cash	Debit	Credit
c.	Land	Debit	Credit

d.	Notes Payable	Debit	Credit
e.	Accounts Receivable	Debit	Credit
f.	Mary Smith, Capital	Debit	Credit
g.	Supplies	Debit	Credit
h.	Supplies Expense	Debit	Credit
i.	Prepaid Insurance	Debit	Credit
j.	Service Revenue	Debit	Credit
k.	Mary Smith, Drawing	Debit	Credit
l.	Equipment	Debit	Credit
m.	Unearned Revenue	Debit	Credit

9.	Generally when an expense is involved in a transaction, an expense will be	Debited	Credited
10.	Generally when revenues are involved in a transaction, a revenue account will be	Debited	Credited
11.	The accountant's word to indicate that an entry will be recorded on the left-side on an account is	Debit	Credit

B) BANK RECONCILIATION

1.	Checks that have been written by a company but have not yet been charged to the company's checking account are referred to as _____ checks.																														
2.	A company's receipts from September 30 that get deposited to the company's bank account on October 1st are referred to as deposits ____ _____ as of September 30.																														
3.	A general guide for reconciling the bank statement is "Put it where it _____".																														
	<table border="1"> <thead> <tr> <th>PLEASE PUT AN (X) IN THE CORRECT BOX</th> <th>Add To BOOK Balance</th> <th>Deduct From BOOK Balance</th> <th>Add To BANK Balance</th> <th>Deduct From BANK Balance</th> </tr> </thead> <tbody> <tr> <td>4. Outstanding checks.</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>5. Bank service charge.</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>6. Interest credited to bank account.</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>7. Interest charged to bank account.</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>8. Deposit in transit.</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	PLEASE PUT AN (X) IN THE CORRECT BOX	Add To BOOK Balance	Deduct From BOOK Balance	Add To BANK Balance	Deduct From BANK Balance	4. Outstanding checks.					5. Bank service charge.					6. Interest credited to bank account.					7. Interest charged to bank account.					8. Deposit in transit.				
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9.	Bank inadvertently charged your bank account for another company's bank fees.				
10.	Bank erred by posting another company's credit memo to your company's bank account.				
11.	Fee charged by bank for returned check.				
		Add To BOOK Balance	Deduct From BOOK Balance	Add To BANK Balance	Deduct From BANK Balance
12.	Company wrote a check for \$76 and it cleared the bank for \$76. However, the company recorded the check in its CASH account as \$67. How is the difference of \$9 handled on the bank reconciliation?				
13.	Company had a receipt of \$989 and correctly prepared its bank deposit slip for \$989. However, the company recorded the receipt in its CASH account as \$998. How is the difference of \$9 handled on the bank reconciliation?				
14.	The bank collected a NOTE RECEIVABLE for the company and credited the company's bank account for \$1,000.				
15.	A company deposited a check from a customer into its checking account. A few days later the check was returned with the notation <i>account closed</i> and the bank deducted the amount on the bank statement.				
	(PLEASE COMPUTE THE ANSWER FOR QUESTION 16 USING AN EXCEL SPREADSHEET.) SAVE THIS WORKSHEET ON THE DESKTOP UNDER YOU NAME)				
16.	A company's CASH account has a balance of \$851 as of October 31. The bank statement for this account reports a balance of \$1,430 as of October 31. There are outstanding checks totaling \$840 and a deposit in transit of \$60. The bank statement shows interest earned of \$19, service charges of \$30, a customer's returned check of \$100, and a check printing fee of \$90. What is the reconciled CASH balance that should be reported on the company's balance sheet as of October 31?				