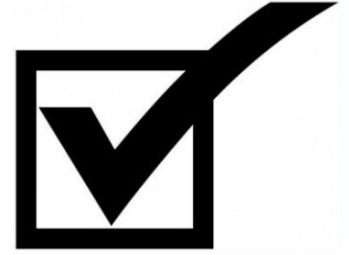


**BUSINESS
PROFESSIONALS**
of **AMERICA**
Giving Purpose to Potential



Fundamental Accounting

(100)

Regional 2024

CONCEPT KNOWLEDGE:

Multiple Choice (30 @ 2 points each) _____ (60 points)

APPLICATION KNOWLEDGE:

Account Identification (15 @ 3 points each) _____ (45 points)

Short Answer (16 @ 3 points each) _____ (48 points)

Job 1: Analyzing Transactions _____ (62 points)

Job 2: Income Statement _____ (35 points)

TOTAL POINTS _____ ***(250 points)***

Test Time: 90 minutes

GENERAL GUIDELINES:

Failure to adhere to any of the following rules will result in disqualification:

1. Member must hand in this test booklet and all printouts if any. Failure to do so will result in disqualification.
2. No equipment, supplies, or materials other than those specified for this event are allowed in the testing area. No previous BPA tests and/or sample tests (handwritten, photocopied, or keyed) are allowed in the testing area.
3. Electronic devices will be monitored according to ACT standards.

EXAM GUIDELINES:

You have been hired as a Financial Assistant and will be keeping the accounting records for Digital Solutions, located at 700 Morse Road, Suite 201, Columbus, Ohio 43214. Digital Solutions provides accounting and other financial services for clients. You will complete jobs for Digital Solutions' own accounting records, as well as for clients.

You will have 90 minutes to complete your work. The test is divided into two parts: concept knowledge and application knowledge.

Your name and/or school name should *not* appear on any work you submit for grading. Write your Member ID in the provided space. Staple all pages in order before you turn in your test.

Assumptions to make when taking this assessment:

- Round all calculations to two decimal places at the final step.
- Round all percentages to one decimal place.
- Use 360 days for interest calculations.

Multiple Choice – 2 points each; 60 points total

1.	C	16.	D
2.	C	17.	B
3.	B	18.	C
4.	A	19.	B
5.	B	20.	D
6.	C	21.	B
7.	C	22.	A
8.	D	23.	D
9.	A	24.	B
10.	D	25.	C
11.	C	26.	B
12.	A	27.	D
13.	D	28.	C
14.	A	29.	A
15.	B	30.	C

Account Identification – 1 point each; 45 points total

Account Name	Classification	Normal Balance	Financial Statement
Accounts Payable	L	CR	B
Prepaid Insurance	A	DR	B
Interest Receivable	A	DR	B
Salaries Expense	E	DR	I
Petty Cash	A	DR	B
Income Summary	OE	N	N
Fees Earned	R	CR	I
Rent Expense	E	DR	I
Shyla Bosk, Capital	OE	CR	B
Supplies	A	DR	B
Delivery Expense	E	DR	I
Shyla Bosk, Drawing	OE	DR	N or B
Sales Tax Payable	L	CR	B
Insurance Expense	E	DR	I
Sales	R	CR	I

Short Answer – 3 points each; 486 points total

1. a. **Prepaid Insurance**

b. **1,800**

c. **Insurance Expense**

d. **Prepaid Insurance**

e. **300**

2. a. **53,725**

b. **48,598**

c. **38,529**

d. **4,591**

3. a. **15,000**

b. **Net Loss**

c. **6,896**

d. **62,729**

4. a. **Net Income**

b. **26,405**

c. **56,011**

Job 1 – Analyzing Transactions – 1 point for each correct account, 1 point for each correct amount - 62 points total

DATE	ACCOUNT TITLE	DEBIT	CREDIT
Jan 2	Cash	4,000	
	Supplies	500	
	Maria Lopez, Capital		4,500
4	Rent Expense	3,600	
	Cash		3,600
4	Prepaid Insurance	1,200	
	Cash		1,200
5	Accounts Receivable – Clark Bakery	1,500	
	Fees Revenue		1,500
10	Supplies	650	
	Cash		300
	Accounts Payable – Diaz Supplies		350
11	Petty Cash	300	
	Cash		300
15	Accounts Payable – Diaz Supplies	350	
	Cash		350
18	Maria Lopez, Drawing	1,100	
	Cash		1,100
19	Cash	700	
	Accounts Receivable – Parker Company	250	
	Fees Revenue		950
22	Repairs Expense	420	
	Cash		420
24	Cash	1,400	
	Fees Revenue		1,400
28	Cash	250	
	Accounts Receivable – Parker Company		250
31	Miscellaneous Expense	20	
	Advertising Expense	30	
	Cash Short & Over	2	
	Cash		52

Job 2 – Income Statement – 1 point for each line of the Income Statement Heading; 1 point for each correct heading and account name on the statement; 1 point for each correct amount; 5 points for correct Net Income amount; 1 point for correct lines; 35 points total

Whitcomb Repair Shop			
Income Statement			
For Month Ended January 31 st , 2024			
			% of Sales
Revenue			
Bicycle Repair Revenue	19,740		
Motorcycle Repair Revenue	<u>27,630</u>		
Total Revenue		47,370	100.0
Expenses			
Advertising Expense	3,500		
Miscellaneous Expense	750		
Rent Expense	2,400		
Salaries Expense	16,110		
Supplies Expense	1,450		
Utilities Expense	<u>1,420</u>		
Total Expenses		<u>25,630</u>	54.1
Net Income		<u>21,740</u>	45.9