



**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 –** 3points 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 31st, 2024** | | | |
|  |  |  | **% of Sales** |
| **Revenue** |  |  |  |
| **Bicycle Repair Revenue** | **19,740** |  |  |
| **Motorcycle Repair Revenue** | **27,630** |  |  |
| **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** | **1,420** |  |  |
| **Total Expenses** |  | **25,630** | **54.1** |
| **Net Income** |  | **21,740** | **45.9** |