



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

Advanced College Accounting (115)

REGIONAL 2025

Multiple Choice & Short Answer Section:

Multiple Choice (15 @ 2 points each) _____ (30 points)

Short Answer (26 @ 2 points each) _____ (52 points)

Production Portion:

Problem 1: Journal Entries (30 @ 1 point each) _____ (30 points)

Problem 2: Closing Entries (18 @ 1 point each) _____ (18 points)

Problem 3: Income Statement (6 @ 2 points each) _____ (12 points)

TOTAL POINTS _____ (***142 points***)

**Graders: Please double check and verify all scores and
answer keys!**

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

Multiple Choice: (30 points, 2 each)

1. B
2. C
3. D
4. D
5. C
6. A
7. C
8. D
9. C
10. B
11. A
12. D
13. B
14. A
15. D

Short Answer Questions

Short Answer #1 (8 points, 2 points each)

	JOURNAL		PAGE 11
DATE	ACCOUNT DESCRIPTION	DEBIT	CREDIT
Apr 30	INSURANCE EXPENSE	175.00	
	PREPAID INSURANCE		175.00

Short Answer #2 (8 points, 2 points each)

	JOURNAL		PAGE 11
DATE	ACCOUNT DESCRIPTION	DEBIT	CREDIT
Dec 31	PREPAID INSURANCE	525.00	
	INSURANCE EXPENSE		525.00

Short Answer #3 (16 points, 2 points each) Round to the nearest cent.

Term, Rate	Loan Amount	Date Issued	Year End Payment	Interest Paid	Principal Paid
10 year, 6%	\$50,000	01/31/2024	\$5,000	\$2750.00	\$2250.00
6 month, 9%	\$6,000	06/30/2024	<u>Due on 12/31</u>	\$270.00	\$6000.00
20 year, 3.25%	\$110,000	03/31/2024	\$5,000	\$2681.25	\$2318.75
15 year, 4.5%	\$75,000	09/01/2024	\$7,000	\$1125.00	\$5875.00

Short Answer #4 (20 points, 2 points each)

Inventory	COGS
68,146	
186,535	139,468
139,468	
115,213	

Accounts Payable	Retained Earnings
13,942	
186,535	85,450
179,887	12,650
20,590	41,230
	114,030

Problem #1 (30 points, 1 point each account & amount; no points for date)**Purchases account title must be used, not Inventory.**

Jan 2: Purchased \$3,225 in inventory on account.

Jan 6: Purchased \$875 in supplies on account.

Jan 10: Cash sales of \$5,600

Jan 12: Sales on account for \$3,065

Jan 14: Purchased equipment for \$10,000; \$8,000 was taken on note, the rest was paid in cash

Jan 15: Collected cash on account in the amount of \$2,840

Jan 15: Paid \$2,200 to vendors owed

	JOURNAL		PAGE 11
DATE	ACCOUNT DESCRIPTION	DEBIT	CREDIT
2016:JAN2	PURCHASES	3225	
	ACCOUNTS PAYABLE		3225
JAN 6	SUPPLIES	875	
	ACCOUNTS PAYABLE		875
JAN 10	CASH	5600	
	SALES		5600
JAN 12	ACCOUNTS RECEIVABLE	3065	
	SALES		3065
JAN 14	EQUIPMENT	10000	
	NOTE PAYABLE		8000
	CASH		2000
JAN 15	CASH	2840	
	ACCOUNTS RECEIVABLE		2840
JAN 16	ACCOUNTS PAYABLE	2200	
	CASH		2200

Problem #2 (18 points, 1 point each account & amount)

Record the closing entries for Felix Company at December 31, 2024. *Use Retained Earnings as your Equity account. Do not skip any lines in journal.*

Sales Revenue	\$65,745
Supplies Expense	\$832
Utilities Expense	\$1,540
Salaries Expense	\$32,088
Unearned Revenue	\$3,400
Interest Revenue	\$132
Office Expense	\$1,750
Cash Dividends	\$2,000

	JOURNAL		PAGE 110
DATE	ACCOUNT DESCRIPTION	DEBIT	CREDIT
DEC 31	SALES REVENUE	65745	
	INTEREST REVENUE	132	
	SUPPLIES EXPENSE		832
	UTILITIES EXPENSE		1540
	SALARIES EXPENSE		32088
	OFFICE EXPENSE		1750
	RETAINED EARNINGS		29667
Dec 31	RETAINED EARNINGS	2000	
	CASH DIVIDENDS		2000

Problem #3 (12 points, 2 points each)

Complete the following Income Statement with the missing amounts for the first year of operations for Skill Corporation.

Additional information: dividends declared and paid were \$30,400. Gross profit is 40%. 100,000 shares of common stock were outstanding throughout the year.

**SKILL CORPORATION
INCOME STATEMENT
DECEMBER 31, 2023**

Sales Revenue		400,000
Sales Discounts	22,000	
Sales Returns	<u>11,500</u>	
Net Sales		<u>366500</u>
COGS		<u>219900</u>
Gross Profit		<u>146600</u>
Operating Expenses		
Salaries	<u>39411</u>	
Utilities	32,655	
Supplies	14,277	
Insurance	<u>8,345</u>	
Total Operating Expenses		<u>94,688</u>
Net Income (Loss)		<u>51912</u>
Earnings Per Share		<u>\$.52</u>