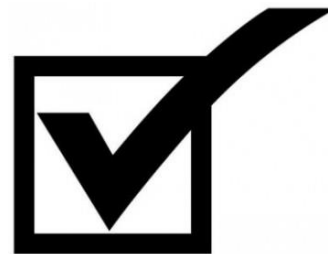


**BUSINESS
PROFESSIONALS**
of **AMERICA**
Giving Purpose to Potential



College Accounting

(105)

REGIONAL 2025

CONCEPT KNOWLEDGE:

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

APPLICATION KNOWLEDGE:

Short Answer (9 @ 3 points each) _____ (27 points)

Problem 1 – Journal Entries _____ (48 points)

Problem 2 – Adjusting Journal Entries _____ (42 points)

Problem 3 – Balance Sheet _____ (25 points)

TOTAL POINTS _____ (***172 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 decimals at the final step.
- Round all percentages to one decimal place.
- Use 360 days for interest calculations.

Multiple Choice Questions (30 Points) 2 Points Each

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

Short Answer (27 Points) 3 Points each

1.

What must Notes Payable equal?	\$69,700
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2.

If Demeter reported total assets of \$380,000 prior to the adjusting entries, how much are Demeter's total assets after the adjusting entries?	\$364,000
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3.

December	0
January	\$3,900
February	\$750

4.

What is the balance of the credit column on Hermes' trial balance?	\$94,400
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5. The following is the adjusted trial balance as of December 31st of Grover Inc.

What was Grover's year end Net Income?	\$10,300
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6. Referring to the information in the previous problem, what will be the balance in the Retained Earnings account after the closing entries are posted? Be sure to indicate what side of the T-account the balance will be on.

Grover's year end Retained Earnings balance?	\$54,500
What side of the T-account does the balance appear on?	Credit

Problem 1: Journal Entries (48 Points)

Note to Grader: Each account title is worth 2 points, each amount is worth 1 point; no points for date. Account titles may vary slightly.

General Journal			
Date	Account	Debit	Credit
Sept. 3	Accounts Receivable	8,000	
	Service Revenue		8,000
8	Equipment	11,000	
	Cash		11,000
12	Supplies	1,500	
	Accounts Payable		1,500
15	Salaries Expense	2,200	
	Cash		2,200
19	Advertising Expense	1,100	
	Cash		1,100
22	Prepaid Insurance	3,400	
	Cash		3,400
26	Cash	5,000	
	Accounts Receivable		5,000
30	Cash	4,000	
	Deferred Revenue		4,000

Problem 2 Adjusting Journal Entries (42 Points)

Note to Grader: Each account title is worth 2 points, each amount is worth 1 point.

Account titles may vary slightly.

General Journal			
Date	Account	Debit	Credit
1	Wage Expense	1,440	
	Wages Payable		1,440
2	Deferred Revenue	8,000	
	Service Revenue		8,000
3	Depreciation Expense	4,800	
	Accumulated Depreciation		4,800
4	Accounts Receivable	500	
	Service Revenue		500
5	Supplies Expense	4,500	
	Supplies		4,500
6	Insurance Expense	2,500	
	Prepaid Insurance		2,500
7	Interest Expense	150	
	Interest Payable		150

Problem 3 (25 Points) 5 Points each

Total Current Assets	\$58,700
Total Assets	\$324,700
Total Current Liabilities	\$39,000
Total Liabilities	\$139,000
Total Stockholders' Equity	\$185,700