



COMPUTERIZED ACCOUNTING (03)

Regional– 2012

START TIME _____ END TIME _____

Matching (15 @ 2 points each)	_____	(30)
Audit Test (15 @ 5 points each)	_____	(75)
December 1, Trial Balance	_____	(5)
Detailed Customer Ledger	_____	(5)
Detailed Vendor Ledger	_____	(5)
December 31, Trial Balance	_____	(5)
Income Statement	_____	(5)
Balance Sheet	_____	(5)

TOTAL POINTS _____ **(135)**

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

- 1. Contestant must hand in this test booklet and all printouts.***
- 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 or facsimile (handwritten, photocopied, or keyed) are allowed in the testing area.***
- 3. Electronic devices will be monitored according to ACT standards.***

No more than ten (10) minutes orientation

No more than 90 minutes testing time

No more than ten (10) minutes wrap-up

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Match the term to the correct definition.

1.		Form of doing business pursuant to a charter granted by a state or federal government.
2.		Can reasonably expect to convert into cash, sell, or consume in operations within a single operating cycle, or within a year if more than one cycle is completed each year.
3.		Things you own, such as cash, real estate, stocks, and bonds. In the case of a business, it also include inventory.
4.		The accounting assumption that a business exists independently of its owner's personal holdings.
5.		Has no preferences generally in terms of dividends, voting rights or distributions.
6.		ACCOUNTING assumption which stipulates that, except as otherwise noted in the FINANCIAL STATEMENT, the same accounting policies and procedures have been followed from period to period by an organization in the preparation and presentation of its financial statements.
7.		An amount that is added to or subtracted from an account balance to bring that balance up to date.
8.		Distribution of earnings to owners of a CORPORATION in cash, other ASSETS of the corporation, or the corporation's CAPITAL STOCK.
9.		Tangible property held for sale, or materials used in a production process to make a product.
10.		Any tangible ASSET with a life of more than one year used in an entity's operations.
11.		Process designed to provide reasonable assurance regarding achievement of various management objectives such as the reliability of financial reports.
12.		Money or property put into the custody of a third party for delivery to a GRANTEE, only after fulfillment of specified conditions.
13.		Any book containing original entries of daily financial transactions.
14.		DEBTS or obligations owed by one entity (DEBTOR) to another entity (CREDITOR) payable in money, goods, or services.
15.		Winding up an activity by distributing its ASSETS to the appropriate parties and settling its DEBTS.

A	Fixed Asset
B	Dividends
C	Assets
D	Business Entity
E	Internal Control
F	Liability
G	Corporation
H	Current Asset
I	Escrow
J	Adjustment
K	Common Stock
L	Inventory
M	Journal
N	Consistency
O	Liquidation

Other Information

PLEASE NOTE:

You will be asked to use the Robert's Tennis Shop you have created as pre-work for the Regional, State, and National level.

George Roberts, the owner of Roberts' Tennis Shop, a sole proprietorship, asked you to computerize his business records. Mr. Roberts uses a periodic inventory system for his merchandising business. His primary sales are from the sale of tennis racquets, apparel, shoes, and accessories. He also strings racquets as a service, but his primary business is a merchandising business. The state he is located in has No Sales Tax.

The company chooses to use accrual basis of accounting, real-time posting, and twelve month accounting period structures that uses a calendar year with inventory valued at cost.

The transactions you will be recording begin on December 1, 2011. Activities needing to be completed may include recording the business transactions, adding any new customers and vendors, adding accounts as needed, and recording the adjusting entries.

GENERAL INFORMATION:

Beginning source document numbers:

Because of software differences, use whatever numbering system you choose or your software chooses for you. The source document numbers will not be a part of this test that will be graded, nor will you get any additional points for using an elaborate system.

Cash Payments

You may handle cash payments in the method you choose. If you choose to use the check writing method to make cash payments and your software requires a vendor to be created before a check can be written, no points will be awarded or deducted for these additional vendors.

IMPORTANT REMINDER NOTES OF INFORMATION:

- Assume all prior sales are for merchandise**
- Robert's Tennis Shop is on a periodic inventory system**
- Put the type of software you are using on your cover page of your test.**

Instructions

Using the company supplied on the flash drive, print the following reports/statements and complete the following monthly transactions and adjustments adding new accounts as needed. (Be sure to devise a sequence for printing reports before beginning).

1. **Print** the chart of accounts.
2. **Print** December 1, 2011 (beginning) Trial Balance **before entering transactions.**
3. **Record** December transactions.
4. **Print** a master/detailed customer list and vendor list.
5. **Print** a detailed customer ledger and vendor ledger.
6. **Record** adjusting entries.
7. **Print** December 31 Trial Balance. After Transactions and Adjustments.
8. **Do not preform closing entries.**
9. **Print** Year End 2011 Income Statement (DO NOT INCLUDE ACCOUNTS WITH CUMULATIVE ZERO AMOUNTS).
10. **Print** Year End December 31, 2011 Balance Sheet (DO NOT INCLUDE ACCOUNTS WITH CUMULATIVE ZERO AMOUNTS).
11. **Complete** the audit test questions.

December Transactions

- 2 Paid December rent to Goba Group \$1,500.
- 2 Paid annual insurance premium of \$1,200 to Jones Insurance.
- 8 George withdrew \$500 for personal use.
- 10 Strung two racquets and received cash payment of \$30.
- 11 Purchased tennis strings, racquets, and socks on account for \$2,250, invoice #156, from Nesbitt's Gear, 561 Mockingbird Lane, Anywhere, SC 99009; contact information for Fred Nesbitt is 999-312-5115. Terms for the company are 2/15, n/30.
- 12 Received full payment from Prairieville High School for balance due.
- 13 Paid Tennis Warehouse in full.
- 15 Purchased a new equipment on account for \$600, invoice #15624, from Keller Warehouse, 108 Sparrow Drive, Anywhere, SC 99009, Phone: 999-312-0201. Contact is Brian Dudley. Terms 2/10, n/30.
- 16 Received a call from a new customer:

Lobster High School, 1622 Hayden Drive, Somewhere, SC 99008, 999-605-2800 is the phone#. A new customer account is set up with terms n/30. Contact is athletic director Dorothy Fields. The school purchases tennis apparel for the tennis team totaling \$1,500.
- 17 Purchased \$325 of supplies on account from Staples.
- 17 Cash sales totaled \$1,730.
- 21 Sold merchandise on account to Prairieville High School totaling \$525.
- 23 Paid utility bill of \$356 to Southland Electric.
- 27 Discovered that a payment of \$100 on November 15 for janitorial services was incorrectly journalized and posted to the miscellaneous expense account instead of maintenance expense.
- 31 Recorded bank service charge of \$10 from December bank statement.

Year End Adjustments

Supplies inventory on December 31, 2011 is \$730.

Insurance expired for the month of December is \$100.

Audit Test

1. Which account was debited for \$100.00 on December 31?

2. Is Nesbitt's Gear debited or credited on December 11?

3. How many transactions were recorded in the cash payments journal for December?

4. Which customer has debited on December 16?

5. What is the adjustment amount for supplies?

6. How many cash sales were recorded for December?

7. What is the balance in Miscellaneous Expense on December 31?

8. How many vendors had balances on December 31?

9. How many customers had balances on December 31?

10. How many transactions for sales on account were recorded for December?

11. Did Roberts' Tennis Shop purchase merchandise on account in December?

12. What is the amount of cash received during December?

13. What is the balancing total for the Balance Sheet?

14. What is the ending balance for Pre-paid Insurance?

15. Did the company have a net income or net loss?
