2013 COMPUTERIZED ACCOUNTING (03)
Pre-Conference Company Set-Up

NOTE: You are responsible for all software version conversions BEFORE the contest begins, if you need to convert your file this will be counted as test time.

Once you have created your company, it will be used on the Regional, State, and National level (same basic information, different December transactions) so please save it for future contest use. You will need to bring this created company on a USB drive for each level so be sure to save this created company somewhere other than the flash drive.

Jim Lohman, the owner of Lohman's Network Solutions, a sole proprietorship, asked you to computerize his business records. Mr. Lohman uses a periodic inventory system for his merchandising and service business. His primary sales are from the sale of computers, computer hardware and software. He also has service income from consulting and troubleshooting computer and network systems. The state he is located in has No Sales Tax. He has provided you with this additional information:

Address:	315 Duck Boulevard
Town:	Boston, MA 99009
Phone:	999-342-5555
EIN#:	29-9908766

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

You will set-up the business and input the December 1, 2012 balances from the General Ledger accounts provided on the following pages. Customer and vendor information is also listed on the following pages. Set them up with these EXACT names, numbering them for new account insertion would be suggested if your software allows this, be sure to classify them correctly. You will begin entering business transactions December 1, 2012.

Insert your Contestant ID and Competition Level in the company title. **EXAMPLE: Lohman's Network Solutions XX-XXXX-XXXX Regional.** In addition, please identify the Software used at the top of the first page of the test. Also, you can rename the Retained Earnings account (if automatically generated by your software, QuickBooks for example) to Jim Lohman, Capital.

Instructions
Begin a new business using your accounting software. Save your work as needed to your "clean" flash drive. "Clean" means one without other information on it. You will need to build the Chart of Accounts and enter account balances, customer and vendor accounts with account balances and IDs (if allowable by your software). Customer and vendor information such as address, contact, phone, etc. are included, but will not be a part of this test that will be graded.

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.

Lohman's Network Solutions

Account Balances December 1, 2012

Cash	$29,036
Petty Cash Fund	100
Accounts Receivable	1,225
Inventory	7,862
Prepaid Insurance	500
Building	105,000
Accumulated Depreciation – Building	3,814
Equipment	30,500
Accumulated Depreciation – Equipment	2,975
Land	21,000
Accounts Payable	1,653
Mortgage Payable	104,395
J. Lohman, Capital	42,765
J. Lohman, Withdrawals	37,500
Consulting Income	41,850
Troubleshooting Income	6,500
Computer Equipment Sales	174,500
Sales Discounts	500
Purchases	122,150
Cash Short & Over	10
Depreciation Expense – Building	2,468
Depreciation Expense – Equipment	1,925
Insurance Expense	613
Interest Expense	7,340
Miscellaneous Expense	282
Supplies Expense	1,656
Utilities Expense	3,960
Vehicle Lease Expense	1,950
Vehicle Maintenance Expense	2,875

Lohman's Network Solutions
Schedule of Accounts Receivable
November 30, 2012

LS	Logan School District	1,005
HC	Haynes Company	220
	Total	$1,225

Logan School District
Contact Name: Tatum Maxwell
Balance $1,005, Invoice # S100, dated 11/13/12, terms n/30
11 West Road
Boston, MA 99006   Phone: 999-358-9995

Haynes Company
Contact Name: Colten Baker
Balance $220, Invoice # S155, dated 11/19/12, terms 2/10, n/30
4455 County Road
Boston, MA 99007   Phone: 999-341-0009

Lohman's Network Solutions
Schedule of Accounts Payable
November 30, 2012

AB	ABC Communications	900
RC	Red's Computer Supplies	600
HS	Hall's Supply Company	153
	Total	$1,653

Vendors:

ABC Communications
Balance: $900, Purchase Order #P123, dated 11/25/12, Invoice # 8621, Terms 2/10, n/30
329 West Main
Boston, MA 99005
Contact: Jason Burris   Phone: 999-355-7766

Red's Computer Supplies
Balance $600, Purchase Order #P124, dated 11/26/12, Invoice # 575, Terms 2/10, n/30
1781 Logan Road
Boston, MA 90005
Contact: Ashley Smith   Phone: 999-355-4335

Hall's Supply Company
Balance $153, Purchase Order #P142, dated 11/29/12, Invoice # 5628, Terms n/30
8925 Boulevard
Boston, MA 99008
Contact: Shawn Hall   Phone: 999-354-7878

IMPORTANT REMINDERS
1. Assume all sales in A/R for your set-up are for merchandise.
2. Lohman's Network Solutions is on a periodic inventory system.
3. Put the type of software you are using on the cover page of your test.