



COLLEGE ACCOUNTING (105)

—Post-secondary—

REGIONAL – 2017

Multiple Choice & Short Answer Section:

Multiple Choice (20 @ 2 points each) _____ (40 points)

Short Answer (20 @ 2 points each) _____ (40 points)

Production Portion:

Problem 1: Worksheet _____ (75 points)

Problem 2: Journal Entries _____ (60 points)

Problem 3: Calculations _____ (72 points)

TOTAL POINTS _____ ***(287 points)***

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

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Workplace Skills Assessment Program competition.



General Instructions

You have been hired as a Financial Assistant and will be keeping the accounting records for Professional Business Associates, located at 5454 Cleveland Avenue, Columbus, Ohio 43231. Professional Business Associates provides accounting and other financial services for clients. You will complete jobs for Professional Business Associates' own accounting records, as well as for clients.

You will have 90 minutes to complete your work. The test is divided into two parts. The multiple choice and short answer questions should be completed first, and then the accounting problems may be completed in any order.

Your name and/or school name should *NOT* appear on any work you submit for grading. Write your contestant number in the provided space. Staple all pages in order before you turn in your test.

Unless otherwise instructed, round all answers to 2 decimal places.



MULTIPLE CHOICE

- 1) D
- 2) A
- 3) C
- 4) B
- 5) A
- 6) C
- 7) A
- 8) A
- 9) B
- 10) A
- 11) D
- 12) B
- 13) B
- 14) C
- 15) A
- 16) C
- 17) C
- 18) B
- 19) C
- 20) C



SHORT ANSWER (40 points total; each answer worth 2 points)

The transactions listed below took place at the Durmstrang Institute. These transactions affected the following financial items. Indicate the financial item affected and use plus and minus signs to show the changes caused by each transaction.

	Assets	=	Liabilities	+	Owner's Equity
Owner invested cash in company	First line is an example. Do NOT grade.				
Performed services on credit	+				+
Paid cash for utilities	-				-
Sent a check to a creditor	-		-		
Issued checks to pay salaries	-				-
Purchased a computer for cash	+/-				
Received cash from credit customers	+/-				
Performed services for cash	+				+
Purchased equipment on credit	+		+		
Recorded depreciation	-				-
Owner withdrew cash for personal use	-				-



Problem 1 (75 points total; each shaded box worth 3 points)

Florean Flortescue’s Ice Cream Parlor reopened on January 31, 2017. The Trial Balance for its first month of operations is shown below. Complete the worksheet by recording the adjustments and the adjusted trial balance.

- A) Supplies were purchased on January 1. Inventory of supplies on January 31 is \$550.
- B) The equipment was purchased on January 1 and is depreciated at a rate of \$100 per month.
- C) Prepaid Rent consists of 6 months of rent, paid on January 1.

Florean Flortescue’s Ice Cream Parlor Worksheet Month Ended January 31, 2017						
Account Name	Trial Balance		Adjustments		Adjusted Trial Balance	
	Debit	Credit	Debit	Credit	Debit	Credit
Cash	17,750				17,750	
Accounts Receivable	6,300				6,300	
Supplies	3,875			3,325	550	
Prepaid Rent	9,600			1,600	8,000	
Equipment	10,800				10,800	
Accumulated Depreciation - Equipment				100		100
Accounts Payable		7,775				7,775
Flortescue, Capital		30,000				30,000
Flortescue, Drawing	3,500				3,500	
Revenue		23,800				23,800
Advertising Expense	6,000				6,000	
Depreciation Expense			100		100	
Rent Expense	2,725		1,600		4,325	
Supplies Expense			3,325		3,325	
Utilities Expense	1,025				1,025	
Totals	\$61,575	\$61,575	\$5,025	\$5,025	\$61,675	\$61,675



Problem 2 (60 points total; each account name and each amount worth 5 points each. No points for date)

Using the worksheet prepared above, journalize the adjusting entries in the General Journal

General Journal				
Date		Account Title	Debit	Credit
2017				
Jan	31	Supplies Expense	3,325	
		Supplies		3,325
		Depreciation Expense	100	
		Accumulated Depreciation		100
		Rent Expense	1,600	
		Prepaid Rent		1,600



Problem 3 (72 points total, each answer worth 6 points)

Using the information from Problem 1 above, calculate the following:

- A) Net Income \$9,025
- B) Total Current Assets \$32,600
- C) Total Assets \$43,300
- D) Total Current Liabilities \$7,775
- E) Total Liabilities \$7,775
- F) Total Owner's Equity \$35,525
- G) Working Capital \$24,825
- H) Current Ratio 4.19
- I) Debt Ratio 0.18 or 18% or 17.96%
- J) Debt to Equity Ratio 0.22 or 22% or 21.89%
- K) Profit Margin 0.38 or 38% or 37.92%
- L) Asset Turnover Ratio 0.55 or 55% or 54.97%