The University of the State of New York

REGENTS HIGH SCHOOL EXAMINATION

BOOKKEEPING—ACCOUNTING

Monday, June 15, 1987 — 9:15 a.m. to 12:15 p.m., only

The answers to the questions on this examination are to be written in the separate answer booklet. Be sure to fill in the heading of your answer booklet.

When you have completed the examination, you must sign the statement printed at the end of the answer booklet, indicating that you had no unlawful knowledge of the questions or answers prior to the examination and that you have neither given nor received assistance in completing the examination. Your answer booklet cannot be accepted if you fail to sign the declaration.

DO NOT OPEN THIS EXAMINATION BOOKLET UNTIL THE SIGNAL IS GIVEN

Write the answers to all questions in the separate answer booklet.

Part I

Journalizing [40]

1 The General Journal, Purchases Journal, Sales Journal, Cash Receipts Journal, and Cash Payments Journal are shown in the separate answer booklet. [Note: It is important to examine the columnar headings in these journals to determine which special columns are being used.]

Steven Morales is the owner of The Fashion Tree, a retail clothing store. On April 1, 1987, the business had a cash balance of $16,400. The Fashion Tree uses controlling accounts.

In the separate answer booklet, record the cash balance and the following selected transactions. Check any item that should *not* be posted separately.

April 1   Issued Check No. 332 for $950 to Forester Realty in payment of this month's rent.

3   Issued Invoice No. 314 for $140.40 to Lynda Kaplan for $130 merchandise sold on account, plus $10.40 sales tax. Terms: n/30.

4   Steven Morales, the owner, invested an additional $5,000 in the business.

6   Issued Debit Memorandum No. 85 for $250 to Lee Manufacturing Co. for merchandise that we had returned to them.

7   Purchased $3,250 worth of merchandise from Lloyd's Designs. Invoice No. 589, dated April 3. Terms: n/45.

8   Daily cash register tape shows a total of $2,268. ($2,100 for merchandise sold plus $168 for sales tax.)

10   Issued Credit Memorandum No. 15 for $70.20 to Lynda Kaplan for merchandise that she returned to us. ($65 for merchandise returned plus $5.20 for sales tax.)

13   Issued Check No. 333 for $75 to establish a petty cash fund.

15   Bought a new adding machine for $275 from Beck's Machines. Invoice No. 88. Terms: n/30.

16   Issued Invoice No. 315 for $460 to Commerce High School, a tax-exempt customer, for merchandise sold. Terms: n/10.

17   Received $80 from L. Thompson in partial payment of her account.

20   Purchased $1,500 worth of merchandise from Fashions by Tobi. Invoice No. 590, dated April 17. Terms: 2/10, n/30.

22 Received $460 from Commerce High School in payment of Invoice No. 315.

23 Issued Check No. 334 for $960 in payment of the annual premium due on the fire insurance policy for the business.

24 Issued Check No. 335 for $1,820 to Billy's Sportswear, Inc., for a cash purchase of merchandise.

27 Issued Check No. 336 for $1,470 to Fashions by Tobi to pay for Invoice No. 590, less discount.

30 Issued Check No. 337 for $600 to Steven Morales, the owner, as a monthly personal withdrawal from the business.

<div align="center">

Total and rule the appropriate journals.

Record the cash balance on May 1 in the Cash Receipts Journal.

</div>

Part II

Practical Accounting Applications

Answer all questions in this part. [30]

2 The partial worksheet below shows only four columns. Using the information given, complete the Balance Sheet, provided in the separate answer booklet, for Finnish Line Products. [10]

Finnish Line Products
Worksheet (Partial)
For Year Ended December 31, 1986

ACCOUNT TITLE	INCOME STATEMENT DEBIT	INCOME STATEMENT CREDIT	BALANCE SHEET DEBIT	BALANCE SHEET CREDIT
Cash			12145 —	
Petty Cash			100 —	
Accounts Receivable			4849 —	
Merchandise Inventory			12726 —	
Supplies			550 —	
Prepaid Insurance			469 —	
Office Equipment			5200 —	
Store Equipment			7500 —	
Accounts Payable				8950 —
Sales Tax Payable				1273 —
Mortgage Payable				16500 —
Wm. Finn, Capital				10272 —
Wm. Finn, Drawing			2000 —	
Income Summary	13820 —	12726 —		
Sales		69054 —		
Sales Returns & Allowances	874 —			
Purchases	42100 —			
Purchases Returns & Allow.		755 —		
Advertising Expense	2040 —			
Delivery Expense	3777 —			
Insurance Expense	355 —			
Miscellaneous Expense	435 —			
Salaries Expense	9080 —			
Supplies Expense	410 —			
Utilities Expense	1100 —			
	73991 —	82535 —	45539 —	36995 —
Net Income	8544 —			8544 —
	82535 —	82535 —	45539 —	45539 —

Directions (3–7): Answer each of the following payroll questions. Write your answers in the spaces provided in the separate answer booklet.   [5]

3 Phelps is paid at an hourly rate of $6.30 with time and one-half for all hours worked over 40 in one week. Last week Phelps worked a total of 44 hours. What was the amount of her gross earnings for the week?

4 Arundo is paid a salary of $36,920 per year. His company uses a weekly payroll period. What are Arundo's weekly gross earnings?

5 LaRosa receives a base salary of $150 per week and a commission of 10% on all sales that she makes above $1,500 per week. Last week, LaRosa had total sales of $3,200. What was the amount of her gross earnings for the week?

6 Cardwell works in a factory and is paid on the piece-rate plan. He receives 35¢ for each piece produced and accepted. Last week, his total production was 886 items and only 12 of the items were rejected because of defects. What was the amount of his gross earnings last week?

7 Kiley earned $400 last week. His deductions were: Federal income tax, $81.00; New York State income tax, $22.00; FICA tax, $28.60; and union dues, $12.00. Find Kiley's net pay.

Directions (8): A Purchases Journal and selected ledger accounts are shown in the separate answer booklet.   [5]

a Post the individual daily entries from the Purchases Journal to the appropriate subsidiary ledger accounts.

b Post the monthly total from the Purchases Journal to the appropriate General Ledger accounts.

Directions (9-13): Each of the accounts in the following list is found on either the Income Statement or the Balance Sheet. On the form provided in the separate answer booklet, place a checkmark (√) under the appropriate heading to indicate on which financial statement the account is found.   [5]

9 Cash Short and Over

10 Salaries Payable

11 Sales Discount

12 Computer Equipment

13 Furniture and Fixtures

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14 From the customers' accounts in the Accounts Receivable Ledger shown below, complete a Schedule of Accounts Receivable for Transit Lumber Co. on the form provided in the separate answer booklet.   [5]

ACCOUNTS RECEIVABLE LEDGER

Name Jason Classen
Address 850 Washington St. Albany, NY 12234

DATE		EXPLANATION	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
1987 Jan	9		S 4	850 —		850 —
	20		CR 7		400 —	450 —
	26		S 9	675 —		1 125 —

Name David Morgan
Address 283 Broadway Schenectady, NY 12303

DATE		EXPLANATION	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
1987 Jan	2		S 2	1 200 —		1 200 —
	5		J 3		125 —	1 075 —
	13		CR 6		600 —	475 —
	21		S 7	400 —		875 —

Name Michele Rossi
Address 62 South St. Troy, NY 12180

DATE		EXPLANATION	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
1987 Jan	2		S 2	550 —		550 —
	11		CR 5		550 —	
	13		S 6	775 —		775 —
	14		J 5		150 —	625 —

Part III

Theory

Directions (15–44): Answer any 25 of the 30 questions in this part. For *each* statement or question, write in the separate answer booklet the *number* preceding the word or expression that, of those given, best completes the statement or answers the question.   [25]

15 A decrease in owner's equity resulting from a business transaction is called
1 income
2 an asset
3 an expense
4 a liability

16 Which group of accounts would be found on a post-closing trial balance?
1 assets, costs, and expenses
2 assets, liabilities, and capital
3 assets, liabilities, and expenses
4 revenues, costs, and expenses

17 Entries to record expired insurance and amount of supplies used are examples of
1 summary entries
2 adjusting entries
3 opening entries
4 closing entries

18 The difference between sales and cost of goods sold is called
1 net sales
2 sales returns
3 sales discount
4 gross profit on sales

19 Which form is used by an employee to indicate the number of personal exemptions from income tax?
(1) W-4
(2) W-2
(3) 1040
(4) 1040 EZ

20 Which account is *not* a plant (fixed) asset?
1 Office Furniture
2 Office Equipment
3 Store Furniture
4 Store Supplies

21 In what way does the central processing unit of a microcomputer process information?
1 magnetically
2 electronically
3 mechanically
4 manually

22 The source document for most entries in a cash payments journal is a
1 certified check
2 cash proof
3 check stub
4 bill stamped "Paid"

23 The term "debit" refers to
1 the left side of an account
2 the right side of an account
3 a decrease in an asset account
4 an increase in a liability account

24 The purpose of preparing a trial balance is to
1 prove equality of debits and credits
2 analyze individual accounts
3 determine net profit or loss
4 prove the accuracy of the subsidiary ledgers

25 An invoice is dated April 15, terms 30 days. On which date is payment due?
1 May 13
2 May 14
3 May 15
4 May 16

26 When closing the Transportation In (Freight In) account, the balance is transferred to the
1 Cash account
2 Capital account
3 Drawing account
4 Income Summary account

27 The purpose of a worksheet is to aid in the
1 payment of expenses
2 preparation of financial statements
3 preparation of monthly statements to be sent to customers
4 reconciliation of checkbooks with the bank statements

28 On January 2, 1986, the Prepaid Insurance account was debited for $960. This amount represents the premium for a three-year period. What is the correct balance of the Prepaid Insurance account on January 2, 1987?
(1) $320   (3) $960
(2) $640   (4) $1,280

29 The major purpose for maintaining a petty cash fund is to
1 make change for customers
2 cash employee paychecks
3 issue money for small business expenditures
4 have cash available to start each business day

30 A payroll report printed by a computer is an example of which phase of computer operation?
1 input   3 processing
2 output   4 programming

31 Which general ledger account is a controlling account for a subsidiary ledger?
1 Cash
2 Purchases
3 Merchandise Inventory
4 Accounts Payable

32 The Corner Candy Store has assets totaling $20,000 and liabilities totaling $5,000. The owner's equity of the business equals
(1) $25,000   (3) $15,000
(2) $20,000   (4) $5,000

33 Computer programs, such as spreadsheet or word processing programs, are called
1 software   3 monitors
2 hardware   4 flow charts

34 Which step should be taken to find the correct available balance when reconciling a checkbook with a bank statement?
1 Add deposits in transit to the checkbook balance.
2 Add certified checks to the checkbook balance.
3 Deduct service charges from the bank statement balance.
4 Deduct outstanding checks from the bank statement balance.

35 Daily postings from a Sales Journal should be made to the
1 Accounts Payable Ledger, only
2 Accounts Payable Ledger and the General Ledger
3 Accounts Receivable Ledger, only
4 Accounts Receivable Ledger and the General Ledger

36 An invoice for $810 was dated September 24 and carried terms of 4/10, n/30. If the invoice was paid on October 2, what should be the amount of the check?
(1) $729.00   (3) $806.76
(2) $777.60   (4) $810.00

37 Data received for processing in an automated data processing system are called
1 process   3 input
2 storage   4 output

38 Which business form should be prepared before a payment is made from the petty cash fund?
1 check   3 memo
2 receipt   4 voucher

39 What does the income statement summarize?
1 the financial progress of a business for a fiscal period
2 the financial condition of a business on a specific date
3 the equality of the fundamental elements of accounting
4 the equality of subsidiary ledgers with general ledger control accounts

40 In which journal would the sale of office furniture on account be recorded?
1 General Journal
2 Sales Journal
3 Cash Receipts Journal
4 Cash Payments Journal

41 Which payroll tax is paid by both the employee and the employer?
1 Federal income tax
2 FICA tax
3 State unemployment tax
4 New York State income tax

42 When an amount is posted to the wrong customer's account, the error will result in an incorrect balance in the
1 trial balance
2 schedule of accounts payable
3 controlling account
4 customers' accounts

43 Which account would *not* be found in the general ledger of a service business?
1 Cash
2 Accounts Receivable
3 Merchandise Inventory
4 Income Summary

44 A computer program is best defined as
1 a set of related records that is treated as a unit for storage
2 a set of instructions for the solution of a problem
3 an area within a computer in which data can be stored
4 information that has been changed into a readable form

☞ GO RIGHT ON TO THE NEXT PAGE.

Part IV

Career Development

Directions (45–51): Answer any 5 of the 7 questions in this part. For *each* statement or question, write in the separate answer booklet the *number* preceding the word or expression that, of those given, best completes the statement or answers the question.   [5]

45 A letter of application should be accompanied by
 1 a personal data sheet or résumé
 2 a statement of the applicant's physical fitness
 3 a copy of the applicant's high school diploma
 4 the newspaper advertisement for the position

46 Which individual should *not* be given as a reference on a job application?
 1 a club advisor
 2 a guidance counselor
 3 a teacher
 4 a relative

47 In which order should previous jobs be listed on a job application?
 1 in reverse chronological order
 2 in chronological order
 3 in order by salary from highest paying to lowest paying
 4 in order of preference from the job liked best to the job liked least

48 Which information requested on a job application need *not* be supplied by the applicant?
 1 work experience
 2 educational background
 3 age
 4 references

49 The last step before handing in a job application should be to
 1 enter the social security number
 2 fill in the date
 3 check the form for completeness
 4 complete the reference section

Base your answers to questions 50 and 51 on the want ad shown below.

> **Bookkeeper** for private non-profit organization. Some office experience necessary, including typing. Pleasant personality & telephone manners. Excellent salary & benefits. Reply in own handwriting to: AD 829, Box 150, Albany, NY 12234.

50 In addition to performing bookkeeping tasks, what does this job require?
 1 typing
 2 making presentations
 3 training other people
 4 supervising other people

51 The letter of application sent in response to this want ad should be
 1 typewritten
 2 handwritten
 3 professionally printed
 4 printed on a computer's printer

The University of the State of New York

REGENTS HIGH SCHOOL EXAMINATION

BOOKKEEPING– ACCOUNTING

Monday, June 15, 1987 — 9:15 a.m. to 12:15 p.m., only

———————

ANSWER BOOKLET

	Credit Allocated	Credit Earned
Part I Journalizing	40	
Part II Practical Accounting Applications	30	
Part III Theory	25	
Part IV Career Development	5	
Total	100	
Rater's Initials:		

Student .... Teacher ....

School ....

All of your answers must be written in ink in this answer booklet. Correct any errors by using regular bookkeeping procedures. If you cannot answer a question in the space provided in the answer booklet, obtain another answer booklet from the teacher in charge and continue your answers in the new answer booklet.

1   **GENERAL JOURNAL**   PAGE ___8___

DATE	ACCOUNT TITLE AND EXPLANATION	POST. REF.	DEBIT	CREDIT

PURCHASES JOURNAL   Page 7

DATE	ACCOUNT CREDITED	INVOICE NO.	INVOICE DATE	TERMS	POST. REF.	PURCHASES DEBIT ACCOUNTS PAYABLE CREDIT

SALES JOURNAL   Page 9

DATE	INVOICE NO.	ACCOUNT DEBITED	TERMS	POST. REF.	ACCOUNTS RECEIVABLE DEBIT	SALES TAX PAYABLE CREDIT	SALES CREDIT

[2]

1 (continued)

CASH RECEIPTS JOURNAL

DATE	ACCOUNT CREDITED	POST. REF.	GENERAL LEDGER CREDIT	ACCOUNTS RECEIVABLE CREDIT	SALES CREDIT	SALES TAX PAYABLE CREDIT	CASH DEBIT

CASH PAYMENTS JOURNAL

DATE	ACCOUNT DEBITED	CHECK NO.	POST. REF.	GENERAL LEDGER DEBIT	ACCOUNTS PAYABLE DEBIT	PURCHASES DISCOUNT CREDIT	CASH CREDIT

[OVER]

2   [10]

ASSETS				
Current Assets				
Cash				
Petty Cash				
Accounts Receivable				
Merchandise Inventory				
Supplies				
Prepaid Insurance				
Total Current Assets				
Plant Assets				
Office Equipment				
Store Equipment				
Total Plant Assets				
Total Assets				
LIABILITIES				
Current Liabilities				
Accounts Payable				
Sales Tax Payable				
Total Current Liabilities				
Long-Term Liabilities				
Mortgage Payable				
Total Liabilities				
OWNER'S EQUITY				
Wm. Finn, Capital				
Total Liabilities and Owner's Equity				

[4]

3-7 [5]

3 $ _____

4 $ _____

5 $ _____

6 $ _____

7 $ _____

8 [5]

PURCHASES JOURNAL   Page 5

| DATE | ACCOUNT CREDITED | INVOICE | | TERMS | POST. REF. | PURCHASES DEBIT |
		NO.	DATE			ACCOUNTS PAYABLE CREDIT
1987 May 4	Charles Lamb, Inc.	234	5/2	n/30		300 —
5	Perry Industries	532	5/4	3/10, n/30		500 —
31	Total					800 —

GENERAL LEDGER

[PARTIAL]

Accounts Payable   No. 211

| DATE | EXPLANATION | POST. REF. | DEBIT | CREDIT | BALANCE | |
					DEBIT	CREDIT
1987 May 1	Balance	✓				900 —

[5]   [OVER]

8 (continued)

Purchases   No. 511

DATE		EXPLANATION	POST. REF.	DEBIT	CREDIT	BALANCE	
						DEBIT	CREDIT
1987 May	1	Balance	✓			600 —	

ACCOUNTS PAYABLE LEDGER

[PARTIAL]

Name Charles Lamb, Inc.
Address 245 Warren St. Hudson, NY 12534

DATE		EXPLANATION	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
1987 Apr	15		P4		200 —	200 —

Name Perry Industries
Address 21 Toslen Blvd. Hudson, NY 12534

DATE		EXPLANATION	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
1987 Apr	20		P4		600 —	600 —
	24		CP6	100 —		500 —

[6]

9–13   [5]

	Income Statement	Balance Sheet
9		
10		
11		
12		
13		

14   [5]

Part III

Theory   [25]

Be sure to answer only 25 questions in this part.

15	20	25	30	35	40 ....
16	21	26	31	36	41 ....
17	22	27	32	37	42 ....
18	23	28	33	38	43 ....
19	24	29	34	39	44 ....

Part IV

Career Development   [5]

Be sure to answer only 5 questions in this part.

| 45 .... | 47 .... | 49 .... | 51 .... |
| 46 .... | 48 .... | 50 .... | |

I do hereby affirm, at the close of this examination, that I had no unlawful knowledge of the questions or answers prior to the examination, and that I have neither given nor received assistance in answering any of the questions during the examination.

_____
Signature

[8]

FOR TEACHERS ONLY

BK   BOOKKEEPING — ACCOUNTING

Monday, June 15, 1987 — 9:15 a.m. to 12:15 p.m., only

SCORING KEY

Mechanics of Rating

(1) Use red ink or red pencil in rating papers. Do not correct the student's work by making insertions or changes of any kind.

(2) Place a slash mark (/) next to every error or omission to indicate each 1-point deduction. Mark all errors distinctly.

(3) Write the number of points allowed for each section on the right-hand side of the paper at the end of each section.

(4) After the rating of a paper has been completed, indicate the total number of points allowed for each section within Parts I, II, III, and IV in the appropriate spaces in the upper right-hand corner on the front of the answer booklet.

(5) Record the total examination score (the sum of the points allowed for Parts I, II, III, and IV) in the appropriate space in the box on the front of the answer booklet.

(6) Check carefully for mechanical errors (addition, subtraction, and transferring credits, etc.).

(7) Write your initials clearly in the appropriate space on the front of the answer booklet.

(8) Evaluate the examination just administered, using the blue Regents Examination Evaluation Form provided. In the boxes provided for the subject code, please use subject code 11.

Part I

Journalizing

Use the solutions given below and on the following page as a *guide* in rating papers, but allow other correct bookkeeping methods, procedures, and account titles. The maximum deduction is 40 points. After the deductions have been made, indicate the points *allowed* in the student's answer booklet.

(1)
- *Do not deduct any points for an error if that error is a result of an error already penalized or a consistent method error.*
- Deduct 1 point for each incorrect or omitted debit or credit. The maximum deduction for a simple entry, 1 debit and 1 credit, is 2 points, and for a compound entry, 3 or more general ledger accounts, is 3 points.
- Deduct 1 point for each failure to indicate by a bracket entry, or otherwise, that controlling accounts are used. Maximum deduction is 1 point for the entire problem.
- Deduct 1 point for each omission of a cash balance, for a maximum deduction of 2 points.
- Deduct 1 point for each error in copying or calculation.
- Deduct 1 point for each error in summarizing journals for a maximum deduction of 4 points for the entire problem. Summarizing includes end of fiscal period date, rulings, columnar totals, and proper use of post reference marks.
- Deduct 1 point for entering the transaction in the wrong journal when the accounts and amounts are correct.
- Deduct 1 point for placing an amount in the wrong column of a journal, for a maximum deduction of 2 points for any one column.
- Deduct 1 point for failure to enter the proper date (year or month or day) of a transaction, or unnecessary repetition of the month or year, for a maximum deduction of 1 point for the entire problem.
- Deduct 1 point for error in checking or failing to check the posting reference column for an entry when necessary, for a maximum deduction of 2 points for the entire problem.
- Deduct a maximum of 1 point for the entire problem for an error in or omission of the check number.

1

GENERAL JOURNAL
PAGE __8__

DATE			ACCOUNT TITLE AND EXPLANATION	POST. REF.	DEBIT	CREDIT
1987 Apr	6		Accounts Payable / Lee Mfg. Co.	/	250 —	
			Purchases Returns and Allowances			250 —
			Debit Memo # 85			
	10		Sales Returns and Allowances		65 —	
			Sales Tax Payable		5 20	
			Accounts Receivable / Lynda Kaplan	/		70 20
			Credit Memo # 15			
	15		Office Machines (Equipment)		275 —	
			Accounts Payable / Beck's Machines	/		275 —
			Invoice 88, n/30			

PURCHASES JOURNAL
Page 7

DATE		ACCOUNT CREDITED	INVOICE NO.	DATE	TERMS	POST. REF.	PURCHASES DEBIT ACCOUNTS PAYABLE CREDIT
1987 Apr	7	Lloyd's Designs	589	4/3	n/45		3250 —
	20	Fashions by Tobi	590	4/17	2/10, n/30	/	1500 —
	30	Purchases Debit / Accounts Payable Credit				/	4750 —
*	30	Totals					( ) ( )

SALES JOURNAL
Page 9

DATE		INVOICE NO.	ACCOUNT DEBITED	TERMS	POST. REF.	ACCOUNTS RECEIVABLE DEBIT	SALES TAX PAYABLE CREDIT	SALES CREDIT
1987 Apr	3	314	Lynda Kaplan	n/30		140 40	10 40	130 —
	16	315	Commerce High School	n/10		460 —		460 —
	30		Totals		✓	600 40	10 40	590 —
						( )	( )	( )

* Accept other appropriate post reference notations.

1 (continued)

CASH RECEIPTS JOURNAL

DATE		ACCOUNT CREDITED	POST. REF.	GENERAL LEDGER CREDIT	ACCOUNTS RECEIVABLE CREDIT	SALES CREDIT	SALES TAX PAYABLE CREDIT	CASH DEBIT
1987 Apr	1	Cash Balance #16,400	✓					
	4	S. Morales, Capital		5000 —				5000 —
	8	Sales (or —)	✓			2100 —	168 —	2268 —
	17	L. Thompson			80 —			80 —
	22	Commerce High School			460 —			460 —
	30	Totals	✓	5000 —	540 —	2100 —	168 —	7808 —
1987 May	1	Cash Balance #18,333	✓	(✓)	( )	( )	( )	( )

CASH PAYMENTS JOURNAL

DATE		ACCOUNT DEBITED	CHECK NO.	POST. REF.	GENERAL LEDGER DEBIT	ACCOUNTS PAYABLE DEBIT	PURCHASES DISCOUNT CREDIT	CASH CREDIT
1987 Apr*	1	Rent Expense	332		950 —			950 —
	13	Petty Cash	333		75 —			75 —
*	23	Insurance Expense	334		960 —			960 —
	24	Purchases	335		1820 —			1820 —
	27	Fashions by Tobi	336			1500 —	30 —	1470 —
	30	S. Morales, Drawing	337		600 —			600 —
	30	Totals		✓	4405 —	1500 —	30 —	5875 —
					(✓)	( )	( )	( )

* Accept prepaid account titles.

Part II

Practical Accounting Applications

(2) Deduct 1 point for each error for a maximum deduction of 10 points. Do not deduct any points for an error that occurs solely as a result of a previous error. Deduct 1 point for each format error, for a maximum deduction of 2 points. Deduct a maximum of 2 points for an incorrect heading. After the deductions have been made, indicate the number of points allowed in the student's answer booklet.

Finnish Line Products
Balance Sheet
December 31, 1986

ASSETS			
Current Assets			
Cash	12145 —		
Petty Cash	100 —		
Accounts Receivable	4849 —		
Merchandise Inventory	12726 —		
Supplies	550 —		
Prepaid Insurance	469 —		
Total Current Assets		30839 —	
Plant Assets			
Office Equipment	5200 —		
Store Equipment	7500 —		
Total Plant Assets		12700 —	
Total Assets			43539 —
LIABILITIES			
Current Liabilities			
Accounts Payable	8950 —		
Sales Tax Payable	1273 —		
Total Current Liabilities		10223 —	
Long-Term Liabilities			
Mortgage Payable		16500 —	
Total Liabilities			26723 —
OWNER'S EQUITY			
Wm. Finn, Capital			16816 —
Total Liabilities and Owner's Equity			43539 —

(3–7) Allow a total of 5 points, 1 point for each of the following:

(3) $289.80

(4) $710.00

(5) $320.00

(6) $305.90

(7) $256.40

(8) Deduct 1 point for each error, for a maximum of 1 point for each posting. Deduct a maximum of 1 point for the incorrect use or omission of post reference marks. Deduct a maximum of 1 point for an incorrect or omitted date. Deduct a maximum of 5 points for the problem. Do not deduct any points for an error that occurs solely as a result of a previous error. After the deductions have been made, indicate the number of points allowed in the student's answer booklet.

PURCHASES JOURNAL

Page 5

DATE		ACCOUNT CREDITED	INVOICE NO.	INVOICE DATE	TERMS	POST. REF.	PURCHASES DEBIT ACCOUNTS PAYABLE CREDIT
1987 May	4	Charles Lamb, Inc.	234	5/2	n/30	✓	300 —
	5	Perry Industries	532	5/4	3/10, n/30	✓	500 —
	31	Total				* 5/31 2/11	800 —
							( ) ( )

GENERAL LEDGER

[PARTIAL]

Accounts Payable   No. 211

DATE		EXPLANATION	POST. REF.	DEBIT	CREDIT	BALANCE DEBIT	BALANCE CREDIT
1987 May	1	Balance	✓				900 —
	31		P5		800 —		1700 —

* Accept other appropriate post reference notations.

8 (continued)

Purchases   No. 511

DATE		EXPLANATION	POST. REF.	DEBIT	CREDIT	BALANCE DEBIT	BALANCE CREDIT
1987 May	1	Balance	✓			600 —	
	31		P5	800 —		1400 —	

ACCOUNTS PAYABLE LEDGER

[PARTIAL]

Name Charles Lamb, Inc.
Address 245 Warren St. Hudson, NY 12534

DATE		EXPLANATION	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
1987 Apr	15		P4		200 —	200 —
May	4		P5		300 —	500 —

Name Perry Industries
Address 21 Toslen Blvd. Hudson, NY 12534

DATE		EXPLANATION	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
1987 Apr	20		P4		600 —	600 —
	24		CP6	100 —		500 —
May	5		P5		500 —	1000 —

(9–13) Allow a total of 5 points, 1 point for each of the following:

	Income Statement	Balance Sheet
(9)	✓	
(10)		✓
(11)	✓	
(12)		✓
(13)		✓

(14) Deduct 1 point for each error, for a maximum of 1 point for the heading. The maximum deduction for the problem is 5 points. Do not deduct any points for an error that occurs solely as a result of a previous error. After the deductions have been made, indicate the number of points allowed in the student's answer booklet.

Transit Lumber Co.
Schedule of Accounts Receivable
January 31, 1987

Jason Classen	1125 —	
David Morgan	875 —	
Michelle Rossi	625 —	
Total Accounts Receivable		2625 —

Part III

Theory

Allow a total of 25 points, 1 point for each of 25 of the following. If more than 25 questions are answered, rate only the first 25.

(15) 3	(20) 4	(25) 3	(30) 2	(35) 3	(40) 1
(16) 2	(21) 2	(26) 4	(31) 4	(36) 2	(41) 2
(17) 2	(22) 3	(27) 2	(32) 3	(37) 3	(42) 4
(18) 4	(23) 1	(28) 2	(33) 1	(38) 4	(43) 3
(19) 1	(24) 1	(29) 3	(34) 4	(39) 1	(44) 2

Part IV

Career Development

Allow a total of 5 points, 1 point for each of 5 of the following. If more than 5 questions are answered, rate only the first 5.

(45) 1	(47) 1	(49) 3	(51) 2
(46) 4	(48) 3	(50) 1	

As a reminder . . .

Regents examinations based on the Bookkeeping — Accounting syllabus will not be offered after June 1987.