

Name: _____ Date: _____

Bookkeeper's Hiring Test

This is a timed 20-minute test. You may use a calculator and scratch paper

1. A Bank Statement dated January 31 has the following information:

<u>Item Description</u>	<u>Date</u>	<u>Amount</u>
Open Balance	12/31	\$547.43
Deposit	1/04	\$100.00
Deposit	1/15	\$350.00
Check #1003	1/02	\$50.13
Check #1006	1/07	\$10.09
Check #1007	1/19	\$250.00
Check #1008	1/26	\$101.19
Monthly Service Charge	1/31	\$5.00
Ending Balance	1/31	\$581.02

Your checkbook register has the following transactions:

<u>Date</u>	<u>Check #</u>	<u>Amount</u>
1/04	Deposit	\$100.00
12/31	1003	\$50.13
1/05	1004	\$25.00
1/05	1005	\$27.93
1/05	1006	\$10.09
1/15	Deposit	\$350.00
1/16	1007	\$250.00
1/24	1008	\$101.19
1/31	Deposit	\$212.89

What is your reconciled statement balance on January 31, 2013? _____



2. Which of the following is not an asset account?

- A. Prepaid Rent
- B. Unearned Revenue
- C. Office Supplies Inventory
- D. Accounts Receivable

3. Which of the following is a balance sheet account?

- A. Notes Payable
- B. Insurance Expense
- C. Interest Income
- D. Cost Of Goods Sold

4. Fill in the blanks:

- I. Cost of Goods = Beginning Inventory + Purchases - _____
- II. Income – Expenses = _____
- III. Assets = _____ + Equity

5. What are the journal entries for the following actions:

- I. A \$37.00 check is returned from a customer
- II. A purchase of an office desk and chair \$450.00
- III. A taxable charge sale of \$195.00 plus \$7.95 sales tax
- IV. A customer makes a payment on their account for \$250.00



6. Classify the following accounts as debit (D) or credit (C), taking into account what their normal balance would be:

Assets	_____	Equity	_____
Liability	_____	Income	_____
Expense	_____	Net Income	_____
Net Loss	_____	Bank Overdraft	_____
Beginning Inventory	_____	Ending Inventory	_____

7. Expenses can be found in the:

- a. statement of owners equity
- b. income statement
- c. balance sheet
- d. both b & c
- e. all of the above

8. This account does not appear on the income statement:

- a. accumulated depreciation
- b. depreciation expense
- c. sales revenue
- d. marketing expense
- e. interest expense

9. ABC Landscaping paid salaries of \$1,500.00 in cash. The accounting entry is:

- a. Debit salaries expense \$1,500; credit salaries payable \$1,500
- b. Debit salaried expense \$1,500; credit cash \$1,500
- c. Debit cash \$1,500; credit salaries expense \$1,500
- d. Debit accounts payable \$1,500; credit cash \$1,500
- e. none of the above

10. ABC Landscaping received a bill for fertilizer. The bill is for \$550 and is payable in 30 days. The accounting entry is:

- a. Debit accounts receivable \$550; credit service revenue \$550
- b. Debit accounts payable \$550; credit cash \$550
- c. Debit natural gas expense \$550; credit accounts payable \$550
- d. Debit natural gas expense \$550; credit cash \$550
- e. none of the above



11. A company paid in advance \$4,800 for two years of prepaid insurance, which started on May 1. The adjusting entry on fiscal year ending December 31 of that year is:

- a. Debit Insurance Expense; Credit Prepaid Insurance, \$1,200
- b. Debit Insurance Expense; Credit Prepaid Insurance, \$800
- c. Debit Prepaid Insurance; Credit Insurance Expense, \$1,600
- d. Debit Insurance Expense; Credit Prepaid Insurance, \$1,600

12. Given the following data, what is cost of goods sold for the year?

Beginning inventory	\$ 40,000
Purchases during year	\$900,000
Freight cost	\$ 20,000
Ending inventory	\$ 50,000

- A. \$900,000
- B. \$910,000
- C. \$890,000
- D. \$930,000

13. A Section 179 deduction:

- A. Is virtually never taken for a passenger auto
- B. Is taken for a passenger auto as readily as for other qualifying assets
- C. Is not permitted for a passenger auto
- D. Is virtually never taken for a passenger auto or any other vehicle

14. On December 1, 200X, your calendar year firm purchases a delivery van with the data shown below. What is depreciation expense as of December 31, 200X under the straight-line method?

Cost	\$36,000
Salvage value	\$6,000
Useful life	5 years

- A. \$600
- B. \$6,000
- C. \$5,000
- D. \$500



15. On January 1, 20X4, your calendar year company purchases a desk that costs \$1,300 and has a \$300 salvage value. If annual depreciation is \$100, what is the desk's book value after recording depreciation for 20X7?

- A. \$900
- B. \$1,300
- C. \$600
- D. \$1,000

16. When your firm's sales department persuades Alice, who has a full-time job at another firm, to work for your company 8 hours each Saturday and 4 hours each Sunday, you:

- A. Must pay the Alice as an independent contractor
- B. Must pay the Alice as an employee withholding all appropriate taxes and providing a W-2
- C. Can choose between a and b depending on your company's policy
- D. Must pay Alice as an employee withholding all taxes but Social Security and Medicare taxes

17. If a departing employee requests a copy of his/her Form W-2, the employer must provide it:

- A. By January 15 of the year following the year of termination or within 30 days of the departing employee's request
- B. within 30 days of the date of termination
- C. By January 31 of the year following the year of termination or within 30 days of the departing employee's request
- D. within 60 days of the departing employee's

18. On November 23, your firm hires Joe, who had his full share of Social Security tax withheld on his prior job. For the remainder of 200X, your firm must:

- A. Withhold Medicare tax, but not Social Security tax
- B. Withhold Medicare, but not Social Security tax
- C. Withhold both Medicare and Social Security tax
- D. Withhold and match Medicare tax and withhold but need not match Social Security tax



19. If an employee is paid \$10 an hour for a 35-hour workweek and works 35 hours Monday-Friday and 6 hours on Sunday, how much premium pay is the employee due for overtime under federal law?

- A. \$60
- B. \$30
- C. \$5
- D. No overtime pay

20. On December 1, your calendar year firm, which is on the accrual basis, accepts a 60-day, \$2,400 note with annual interest of 10% due at maturity. On December 31 your firm will:

- A. Debit Interest Receivable for \$420
- B. Credit Interest Revenue for \$240
- C. Debit Interest Receivable for \$40
- D. Credit Interest Revenue for \$20

21. The first step in the accounting cycle is:

- a. Prepare financial statements
- b. Post journal entries to the accounts in the ledger
- c. Journalize transactions in the journal
- d. Analyze transactions by examining source documents

22. When are meal breaks to be given to an employee?

- a. Anytime during his/her shift
- b. When it is convenient for the supervisor
- c. Every 5-hours worked
- d. It is up to the employee to take a meal break



23.

Read the story below and chose words from below to fill in the blanks.

Jan owns and operates a maid cleaning service with 5 employees whom all work full time. Jan was told from her CPA, Carol that she would need to file her payroll taxes according to State and Federal Due Dates. Carol told her that she needs to file Federal Unemployment tax on form _____ and this form is due on or before _____, 20XX. Jan also learned she needs to file Employers Tax on form _____ at the end of each _____, this form is due by the _____ of the next month. Carol informed Jan that she may be required to make either _____ or _____ deposits based upon her wages. Jan was overwhelmed when she learned she also had to file form _____ State Unemployment Tax each _____ and this was due by the _____ of the following month, in addition to filing her state withholding tax.

31 st	20 th	Weekly	Monthly
940	UITR-1	1040	December
January	941	1160	Quarter



Bookkeeper Test Answer Key

- 1) \$740.98
- 2) B
- 3) A
- 4) Ending Inventory, Net income or Loss, Liabilities
- 5)
 - I. Debit Accounts Receivable \$37.00; Credit Checking \$37.00
 - II. Debit Fixed Assets \$450; Credit Checking \$450
 - III. Debit Accounts Receivable \$202.69; Credit Sales Tax Payable \$7.69; Credit Income \$195
 - IV. Debit Checking \$250; Credit Accounts Receivable \$250
- 6)

Assets - D	Equity - C
Liability - C	Income - C
Expense - D	Net Income - C
Net Loss - D	Bank Overdraft - C
Beginning Inventory - D	Ending Inventory - C
- 7) B
- 8) A
- 9) B
- 10) C
- 11) D
- 12) B
- 13) A
- 14) B
- 15) A
- 16) B
- 17) C
- 18) C
- 19) C
- 20) D
- 21) D
- 22) C
- 23) 940, January 31st, 941, quarter, 20th, weekly, monthly, UTR-1, quarter, 31st

