

PRACTICE BOOKKEEPING TEST

Please ignore taxes. The time allotted for the actual test is maximum 1 hour.

1. School District #61 (the "District") has the following account balances:

Accounts Receivable	\$ 2,000
Office Supplies	\$ 6,400
Amortization Expense	\$ 2,750
Wages Payable	\$ 1,750
Prepaid Expenses	\$ 500
Revenue	\$ 9,900

Please insert the accounts into the "trial balance format" including the amounts under either the Debit or Credit column.

**School District #61
 Trial Balance
 June 30, 20XX**

Account Title	DEBIT	CREDIT

2. ABC Company rented a facility from the District for \$200. The District prepared an invoice to send to ABC Company.
 - a. Please prepare the journal entry to record the invoice.

 - b. The District received a cheque for \$200 from ABC Company for payment of the invoice. Please prepare the journal entry to record the receipt of the cheque.

3. Please prepare the journal entry for the following actions:
 - a. Purchase \$200 in office supplies.

 - b. Record bank service charge of \$10 discovered when doing the bank reconciliation.

 - c. Correct a miscoded transaction. The \$200 transaction was debited to GL 150-141-000-446 but should have been debited to GL 150-141-000-448.

4. a) Briefly explain the difference between a Balance Sheet and an Income Statement.

b) List one account that would normally have a credit balance and one account that would normally have a debit balance.

5. The District receives an invoice on April 8, 2015 dated April 5, 2015. The District's fiscal year end is March 31, 2015. The supplies were received on March 25, 2015. The transaction should be recorded in April 2015 as that is when the invoice was dated.

- a) True
- b) False

When the monthly bank statement is received it will always agree with the bank account shown in the general ledger.

- a) True
- b) False

When a cheque is written, a cash account should be:

- a) Debited
- b) Credited

A supplier of goods or services is known as a:

- c) Vendor
- d) Creditor

6. For items a - e, select the action necessary to reconcile the bank statement:

- a) Outstanding cheques
- b) Bank charges (e.g. NSF charges)
- c) Deposits in transit
- d) Interest credited to bank account

Action:

- Add to book balance
- Deduct from book balance
- Add to bank balance
- Deduct from bank balance