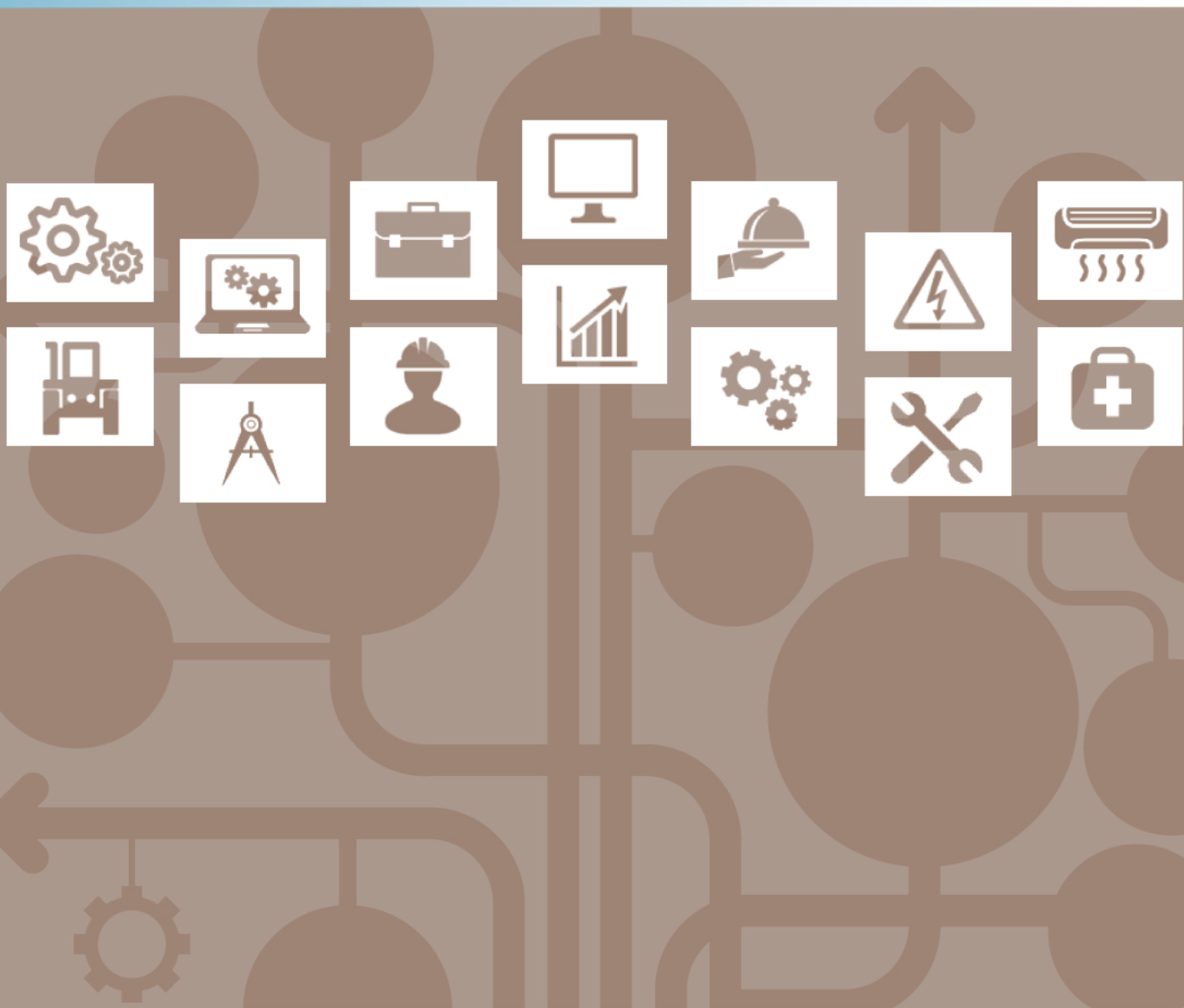




Entry Level Assessment Blueprint

Financial and Managerial Accounting



Test Code: 2120 / Version: 01

Specific Competencies and Skills Tested in this Assessment:

Journalizing

- Understand the theory of double entry accounting
- Journalize accounting transactions
- Journalize adjusting entries
- Journalize closing entries

Cash and Banking Procedures

- Reconcile a bank statement
- Reconcile and replenish petty cash funds

Merchandise Inventory

- Demonstrate knowledge of merchandise inventory systems
- Prepare and analyze transactions using the perpetual method
- Prepare cost of goods sold and income statement for a merchandising company
- Prepare adjusting entries based on physical inventory
- Demonstrate knowledge of LIFO, FIFO, and weighted average methods



Financial Statements

- Identify the components of the four basic financial statements from an adjusted trial balance
- Prepare and analyze a balance sheet
- Prepare and analyze a cash flow statement
- Prepare and analyze a statement of equity
- Calculate and analyze financial ratios

Competence in Technology

- Generate and interpret spreadsheets, charts, and graphs
- Demonstrate knowledge of accounting software

Internal Control

- Demonstrate knowledge of internal control measures for the protection of company assets and financial records
- Understand the importance of business ethics

Specific Competencies and Skills continued:

Basic Accounting Knowledge

- Exhibit understanding of terminology related to accounting
- Exhibit understanding of careers in accounting
- Exhibit understanding of cash and accrual accounting
- Exhibit understanding of regulatory bodies, such as the SEC, IRS, FASB, and IASB

Advanced Accounting Practices

- Differentiate between methods of business formation, such as sole proprietorship, partnership, and corporation
- Calculate the amount of uncollectable accounts through aging of accounts receivable
- Exhibit understanding of stock transaction, such as issuance, treasury stock, and various forms of dividends
- Calculate and record depreciation using straight line and accelerated methods
- Exhibit understanding of bond transactions, such as issuance, interest payments, amortization of premium or discount (using effective interest method) and redemption entries
- Understand the time value of money and application of those principles
- Prepare budget reports to make business decisions
- Determine relevant cost and revenue data for decision-making purposes
- Demonstrate knowledge of cost volume profit analysis
- Demonstrate knowledge of cost accounting systems, such as job order costing, activity based costing, and variable costing
- Demonstrate knowledge of standard costs and calculate variances
- Calculate predetermined overhead rates and over/under applied overhead
- Demonstrate knowledge of capital budgeting methods such as NPV, IRR, and payback
- Demonstrate knowledge of basic cost concepts, such as fixed, variable, and mixed costs

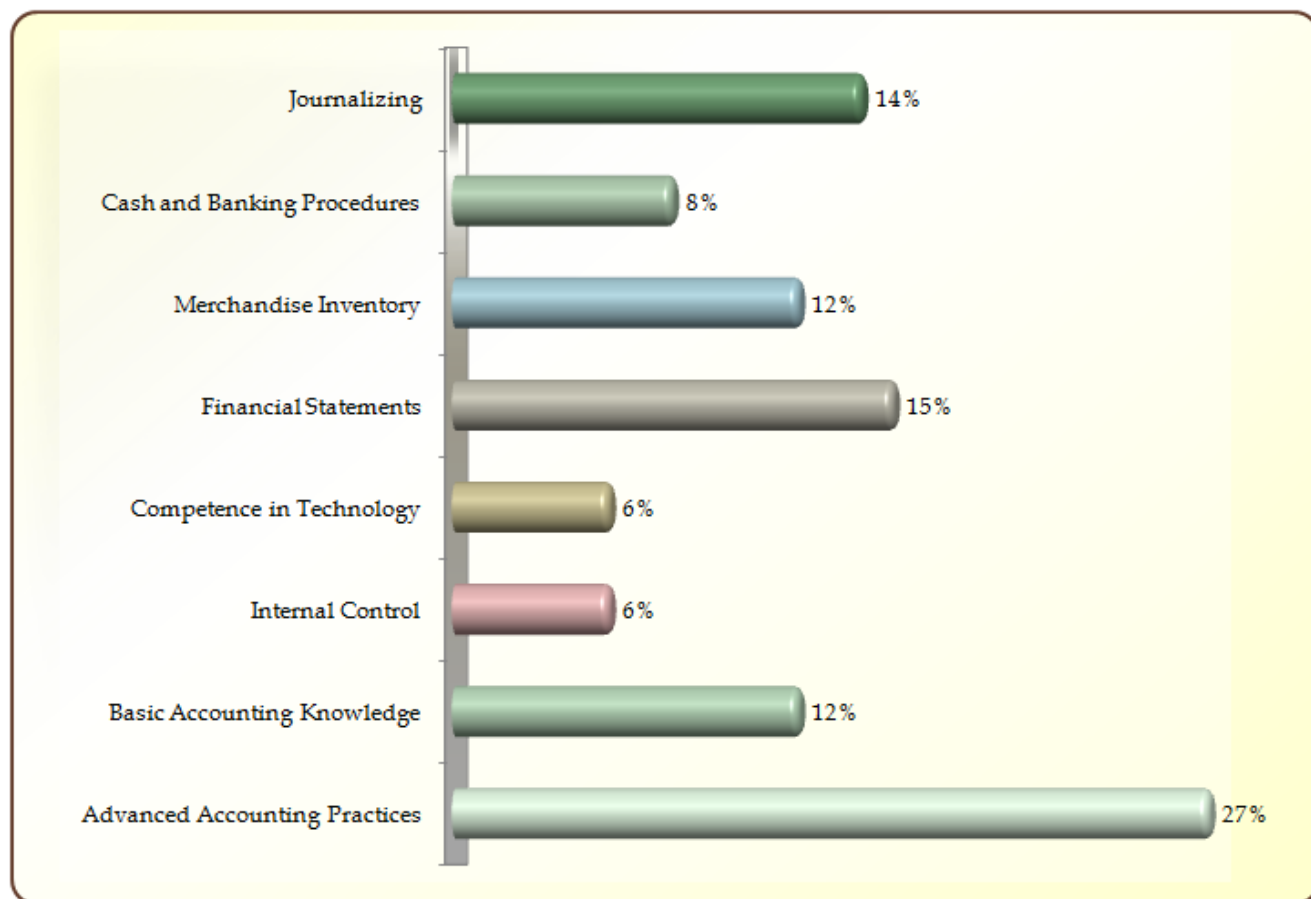
	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
1. You cannot claim exemption for you if your income exceeds \$400 and includes \$250 of unearned income (for example, interest, dividends) and (b) another person can claim exemption for you if you are dependent on their tax return.	-100.00	-100.00	-100.00	-100.00	-100.00	-100.00
2. Instructions. If you are not exempt, complete the Personal Allowances Worksheet below. The worksheet on page 2 adjust your withholding taxes based on itemized deductions, certain adjustments to income, or two-	-150.00	-150.00	-150.00	-150.00	-150.00	-150.00
	-50.00	-50.00	-50.00	-50.00	-50.00	-50.00
			-250.00			-250.00
	-20.00	-20.00	-20.00	-20.00	-20.00	-20.00
	-380.00	-416.67	-471.67	-580.00	-580.00	-750.00
Person	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
1. You are single and have no one else can claim exemption for you	-3,331.20	-4,423.81	-4,423.81	-4,423.81	-5,243.27	-5,243.27
2. You are married, have one or more dependents	0.00	0.00	0.00	0.00	0.00	0.00
3. You are married, have one or more dependents	-380.00	-416.67	-471.67	-580.00	-580.00	-750.00
4. You are married, have one or more dependents	-1,932.48	-1,932.48	-1,932.48	-1,932.48	-1,932.48	-1,932.48
5. You are married, have one or more dependents	11.20	-6,643.80	-6,772.96	-7,027.96	-6,736.29	-7,566.75

Written Assessment:

Administration Time: 3 hours

Number of Questions: 128

Areas Covered:



Sample Questions:

When money is received on account from a customer, the appropriate entry increases

- A. revenue
- B. sales
- C. accounts payable
- D. cash

A deposit in transit on a bank statement is

- A. added to the checkbook balance
- B. added to the bank balance
- C. subtracted from the bank balance
- D. subtracted from the cash account

A purchase of merchandise on account

- A. decreases an asset
- B. decreases a liability
- C. increases a liability
- D. increases an expense

In a multi-step income statement, interest expense would be included in

- A. revenue
- B. cost of goods sold
- C. selling and administrative expense
- D. other income and expense

Double ruling below a total indicates the

- A. subtotal
- B. net income
- C. net loss
- D. final total

An actual count of merchandise is called a _____ inventory.

- A. physical
- B. perpetual
- C. merchandise control
- D. supply

A cash discount entry is based on

- A. invoice terms
- B. vendor relationships
- C. purchase volume
- D. a trade reduction

Sample Questions (continued)

A corporation pays _____ to its stockholders.

- A. earnings
- B. dividends
- C. contributed capital
- D. paid-in capital

The interest on \$200.00 at 6 percent for 60 days would be

- A. \$1.20
- B. \$2.00
- C. \$12.00
- D. \$120.00

The debt to equity ratio compares the

- A. amount of liabilities to stockholders' equity
- B. amount of assets to liabilities
- C. residual value of the assets to the equity
- D. equity to the assets

