

## Clipboard Health Accounting Assessment

1. Under the accrual method of accounting, when are expenses recorded?
2. How are the following general ledger accounts classified on the balance sheet?
  - a. Accounts Receivable
  - b. Prepaid Expenses
  - c. Accounts Payable
  - d. Accrued Bonus
  - e. Fixed Assets
  - f. APIC
3. Company X purchased a laptop for \$3,000. The equipment has a useful life of 2.5 years with no scrap value.
  - a. What is the journal entry for purchasing the laptop?
  - b. What is the depreciation expense for year 1 using the straight-line method? What is the journal entry to record the depreciation?
4. Company Y paid for a bill from Salesforce for a one-year software subscription beginning July 1, 2021, on June 15, 2021, which should result in a debit balance in what account on June 30, 2021? 5. What is the journal entry to record the salaries of \$5,000 earned in December 2021, but paid in January 2022?
6. Company Z issued an invoice in the amount of \$5,000 to one of their customers on June 30, 2022, for consulting services that will be performed in July 2022.
  - a. What is the journal entry to record this invoice by Company Z in June 2022?
  - b. What is the journal entry to record this invoice by Company Z in July 2022?
  - c. The payment from the customer was received by Company Z in July 2022, what is the journal entry?
7. Which primary financial statement measures activity over a period of time?
8. What caused retained earnings to be negative?
9. How are lease liabilities reported on the financial statement?
  - a. Where are lease payments reflected on the statement of cash flows?
10. What determines if an expense should be accrued at month-end?
11. If a contract needs to be accrued for at month end, but it has not been invoiced, how should you

determine the amount to be accrued?