NAT IIM Management Science Finance Easy Test

Sr	Questions	Answers Choice
1	If spoiled goods are considered a normal part of production process than debit to	A. Work in process B. General expense C. F.o.H control D. None of above
2	The technique and process of ascertaining cost is termed as	A. Costing B. Cost accounting C. Calculation of cost D. Controlling cost
3	Under perpetual inventory system stock taking is under taken at the	A. Start of the accounting year B. End of the accounting C. Regular bases D. None of above
4	Cost which is calculated before manufacture operation is called	A. Sunk cost B. Mixed cost C. Standard cost D. None of above
5	Treble column cash book has three columns of:	A. Cash, bank and discount B. Income, expense and bank C. Cash, bank and profit or loss D. None
6	Accounts which are related with properties are known as	A. Real accounts B. Nominal accounts C. Property accounts D. A and C are correct Accounting principles:
7	Which one of the following is not a negotiable instrument?	A. Cheque B. Promissory note C. Bill of exchange D. None of the above
8	Depreciation is a loss due to wear and tear of an asset.	A. Correct B. Incorrent C. May be D. None
9	What is amortization?	A. Decrease in the value of fixed assets B. Decrease in the value of intangible assets C. Increase in the value of fixed assets D. Increase in the value of intangible assets
10	Compound entry is an entry in which:	A. More than one account is debited B. More than one account is credited C. Both a and b are correct D. None of the above
11	Any written evidence of a business transaction is known as	A. Voucher B. Pay-in-slip C. Debit note D. Credit note
12	Trading account shows ----------- result.	A. Net B. Gross C. Profit D. Loss
13	What are accrued expenses?	A. The expenses that have been incurred during current year and paid till the end of current year B. The expenses that have been incurred previous year and paid in the current year C. The expenses that have been incurred during current year and not paid till the end of current year

		D. The expenses that have been incurred previous year and not paid till the end of current year
14	The ------------- includes a control account entitled general ledger that shows is equity of the general office in the factory.	A. General ledger B. Head office ledger C. Factory ledger D. None of these
15	Which one is non-manufacturing costs?	A. Direct material cost B. Labour cost C. Research and development cost D. All of above
16	Cost which cannot be conveniently identified with individual cost unit is called	A. Direct material cost B. Indirect material cost C. Indirect labour cost D. Caring cost
17	The cost of holding the stock in storage is called	A. Ordering cost B. Material cost C. Caring cost D. All of the above
18	Endorsement is made:	A. For settlement of debts B. For settlement of income C. For settlement of profit D. None
19	What is negotiable instrument?	A. A document which is not transferable B. A document which is transferable C. A document which is accepted D. None
20	Quick assets are	A. Cash in hand B. Cash at bank C. Debtors D. All of the above