NAT IIM Management Science Finance Easy Test

Sr	Questions	Answers Choice
1	Depreciation is a loss due to wear and tear of an asset.	A. Correct B. Incorrent C. May be D. None
2	Accounting is the	A. Art B. Science C. Both D. None
3	Debentures are	A. Fixed assets B. Fixed liabilities C. Capital D. Prepaid expenses
4	Loss which arises due to ----------- is known as abnormal loss	A. Breakage of goods B. Leakage C. Fire D. Shrinkage
5	In job order costing system, each job is assigned a job cost	A. Unit B. Center C. Driver D. Sheet
6	Provision of doubtful debts are also known as:	A. Allowances for uncollectable B. Allowances for collectable C. Bad debts D. None
7	The cost of holding the stock in storage is called	A. Ordering cost B. Material cost C. Caring cost D. All of the above
8	According to possible for an event or transaction which is not measurable in terms of money	A. True B. False C. May be D. None
9	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
10	Office salaries are include in	A. Direct material cost B. Indirect material cost C. Factory overhead cost D. Total payroll
11	Which one is not include in factory overhead?	A. Power hear & light B. Indirect labour cost C. Depreciation of plant D. Salary of accountant
12	Good received note is prepared by	A. Purchase department B. Sales department C. Receiving department D. All of the above
13	In bill of exchange, the party who accepts a bill is known as:	A. Drawer B. Drawee C. Payee D. Third party
14	In operating expense includes	A. Marketing expense B. Admin expense

14	An operating expense includes	C. Selling expense D. All of the above
15	Quick assets are	A. Cash in hand B. Cash at bank C. Debtors D. All of the above
16	Material are charged to production at actual cost under	A. Weighted average method B. FIFO method C. LIFO method D. Both ii & iii
17	Name the main accounts which are prepared in accounting?	A. Assets, liabilities, income and expenses B. Assets, liabilities, income and revenue C. Assets, owner's equity, income and expenses D. Assets, liabilities and expenses
18	Spoiled goods cannot be	A. Sold without repairing B. Repair and sold as damaged goods C. Both A and B D. None of above
19	Petty cash book is a book which record	A. Assets B. Liabilities C. Large payments D. Small payments
20	Dishonor of the bill occurs when:	A. The drawer refuse to pay B. The acceptor refuses to meet the bill on due date C. The endorsee accepts to meet the bill D. None