

NAT IIM Management Science Finance Hard Test

Sr	Questions	Answers Choice
1	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
2	Doubtful debt are:	A. Definite loss to the business B. Definite profit to the business C. Expected loss to the business D. Expected profit to the business
3	Which one is not a classification according to the accounting period?	A. Capital expenditure B. Revenue expenditure C. Product cost D. Administrative cost
4	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
5	Manufacturing concern cycle is ----- than trading concern cycle:	A. Shorter B. Greater C. Medium D. None of above
6	Sales prices is calculated as follow:-	A. Cost + operating expense B. Direct material + Direct labour + F.o.H C. Cost + operating expenses + profit D. None of above
7	Which ratio tells how many times in a year stock is used up and replaced?	A. Gross profit ratio B. Net profit ratio C. Cost ratio D. None of these
8	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
9	Provision of doubtful debts are also known as:	A. Allowances for uncollectable B. Allowances for collectable C. Bad debts D. None
10	Purchase Requisition is sent to	A. Accounts department B. Purchase department C. Finance department D. None of above
11	Office salaries are include in	A. Direct material cost B. Indirect material cost C. Factory overhead cost D. Total payroll
12	Section of the business to which cost can be charged is termed as	A. Cost driver B. Cost center C. Cost unit D. All of above
13	What is accounting period?	A. It is a time for which business prepares its financial statements B. It is time for which business prepares its profit and loss statement C. It is a time for which business prepares its balance sheet D. None
14	In job order costing system, each job is assigned a job cost	A. Unit B. Center C. Driver D. Sheet

15	From the following statements which one is not true about over applied F.o.H	A. Less from cost of goods sold at normal B. Less from entire production if required C. Add in gross profit if required D. Less from Net profit.
16	Assets which have to no market value are called	A. Fictitious assets B. Liquid assets C. Intangible assets D. Real assets
17	How many types of bank accounts are there?	A. 4 B. 3 C. 5 D. 6
18	In bill of exchange, the party who accepts a bill is known as:	A. Drawer B. Drawee C. Payee D. Third party
19	Material are charged to production at actual cost under	A. Weighted average method B. FIFO method C. LIFO method D. Both ii & iii
20	Excess of assets over liabilities is known as:	A. Capital fund B. Accumulated fund C. Surplus fund D. All options are correct