NAT IIM Management Science Finance Hard Test

Sr	Questions	Answers Choice
1	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
2	What are bad debts?	A. Debts which are irrecoverable from the debtors B. Debts which are recoverable from the debtors C. Debts which are irrecoverable from the creditors D. Debts which are recoverable from the creditors
3	Debentures are	A. Fixed assets B. Fixed liabilities C. Capital D. Prepaid expenses
4	How many of grace are given?	A. 5 B. 4 C. 3 D. 2
5	Hypothetical cost which are specially computed outside the accounting system for the purpose of decision making is called	A. Future cost B. Replacement cost C. Imputed cost D. Sunk cost
6	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
7	Outstanding expenses are also known as	A. Prepared expenses B. Accrued expenses C. Un-earned income D. None
8	The cost flow must match the	A. Output B. Outflow C. Inflow D. Workflow
9	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
10	Bin card is maintained by	A. Purchase manager B. Sales manager C. Store keeper D. Finance manager
11	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
12	A---------- is an account in which those transaction are entered which cannot be placed to their accounts	A. Nominal account B. Suspense account C. Personal account D. Debtor account
13	Quick assets are	A. Cash in hand B. Cash at bank C. Debtors D. All of the above
		A. Profit and loss statement

14	Statement of a affairs is a sort of ----------	B. Nominal account C. Statement of changes in equity D. Balance sheet
15	Lead time is the time between the time on item reaches ---------- and ---------- of	A. Order level, dispatch of material B. Order level, maximum level C. Maximum level, minimum level D. Order level, actual receipt
16	Variable cost and fixed cost have been treated as product cost in	A. Absorption costing B. Direct costing C. Full costing D. All of above
17	Goodwill is ---------- for company.	A. Intangible asset B. Fixed asset C. Current asset D. Quick asset
18	Depreciation expenditure is a	A. Fixed cost B. Variable cost C. Semi-variable cost D. Step fixed cost
19	Assets which have to no market value are called	A. Fictitious assets B. Liquid assets C. Intangible assets D. Real assets
20	Purchase Requisition is sent to	A. Accounts department B. Purchase department C. Finance department D. None of above