

NAT IIM Management Science Finance Hard 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	How many types of inventories are in cost of goods sold statement?	A. 1 B. 2 C. 3 D. 4
3	Petty cash book is a book which record	A. Assets B. Liabilities C. Large payments D. Small payments
4	Depreciation is a loss due to wear and tear of an asset.	A. Correct B. Inccornt C. May be D. None
5	Assets which have to no market value are called	A. Fictitious assets B. Liquid assets C. Intangible assets D. Real assets
6	Which one is not accounting convention?	A. Materiality B. Full disclosure C. Consistency D. Going concern
7	Costs whose consumption may be identified with specific production units in called	A. Direct labour cost B. Indirect labour cost C. Direct material cost D. Indirect material cost
8	Excess of assets over liabilities is known as:	A. Capital fund B. Accumulated fund C. Surplus fund D. All options are correct
9	A credit purchases are:	A. If goods purchased and payment made at the same time B. If goods purchased and payment not made at the same time C. If goods sold and payment receive at the same time D. If goods sold and payment not receive at the same time
10	A property which is received by virtue of a will of a person after his death is known as	A. Legacy B. Donation C. Subscription D. Gift
11	Spoiled goods cannot be	A. Sold without repairing B. Repair and sold as damaged goods C. Both A and B D. None of above
12	Cost goods sold is Rs. 1650, gross profit ratio is 17.5% then sales is	A. 1800 B. 1900 C. 2000 D. 2200
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
		A. 1

14	How many branches are there in accounting?	B. 3 C. 2 D. 4
15	Which one is not include in factory overhead?	A. Power hear & light B. Indirect labour cost C. Depreciation of plant D. Salary of accountant
16	In operating expense includes	A. Marketing expense B. Admin expense C. Selling expense D. All of the above
17	The technique and process of ascertaining cost is termed as	A. Costing B. Cost accounting C. Calculation of cost D. Controlling cost
18	A cost whose magnitude will be affected by decision being made is called	A. Historical cost B. Relevant cost C. Irrelevant cost D. Sunk cost
19	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.
20	Per Unit cost is calculated by dividing the cost of goods sold by	A. The number of units sold B. The number of units purchase C. The number of units manufactured D. All of the above