

## NAT IIM Management Science Finance Hard Test

Sr	Questions	Answers Choice
1	How many types of inventories are in cost of goods sold statement?	A. 1 B. 2 C. 3 D. 4
2	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
3	Provision of doubtful debts are also known as:	A. Allowances for uncollectable B. Allowances for collectable C. Bad debts D. None
4	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:
5	Assets which have to no market value are called	A. Fictitious assets B. Liquid assets C. Intangible assets D. Real assets
6	Realisation concept is the concept in which revenue is ----- at the time when goods are sold or services rendered.	A. Recognized B. Not recognized C. Paid D. Received
7	Material are charged to production at actual cost under	A. Weighted average method B. FIFO method C. LIFO method D. Both ii & iii
8	Outstanding expenses are also known as	A. Prepared expenses B. Accrued expenses C. Un-earned income D. None
9	Spoiled goods cannot be	A. Sold without repairing B. Repair and sold as damaged goods C. Both A and B D. None of above
10	Profit will be lower where prices are rising under	A. FIFO method B. LIFO method C. Weighted average method D. All of the above
11	Offsetting expenses against revenue is the concept of:	A. Realization B. Dual aspect C. Matching D. Conventions
12	Debentures are	A. Fixed assets B. Fixed liabilities C. Capital D. Prepaid expenses
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 during current year and not paid till the end of current year

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	Excess of assets over liabilities is known as:	A. Capital fund B. Accumulated fund C. Surplus fund D. All options are correct
15	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
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	Loss which arises due to ----- is known as abnormal loss	A. Breakage of goods B. Leakage C. Fire D. Shrinkage
18	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
19	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
20	Good received note is prepared by	A. Purchase department B. Sales department C. Receiving department D. All of the above